Post Report on Textile Industry (p. 13 - 21)

THE FINANCIAL POST

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Vol. XXXVII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 17, 1943 10c a Copy; $5.00 a Year No. 29

The Nation's Business

We Move to Speed Trade Settlement

Canada, as a nation largely dependent on export trade, has virtually her whole postwar trade future at stake in the success or failure of some form of multilateral agreement as to foreign exchange and monetary stabilization after the war. Any return to bilateral or "barter" trade deals is deemed almost fatal for this country's prosperity.

Hence, every Canadian has a vital interest in the successful formulation of some such plan. For months top Ottawa officials have been working on a draft international agreement and their proposal for an "International Exchange Union" may prove a turning point in the planning of postwar international relations, both political and economic.

The Canadian plan is clearly a compromise between the two similar schemes already announced, the British plan of Lord Keynes, the American plan of Harry White of the U. S. Treasury.

But the main contribution of the Canadian plan, and the particular contribution it was evidently designed to make, was to provide some plan likely to find such wide general acceptance among nations that their representatives would be at least willing to come together and talk about it; second, to provide a scheme which had a fair chance of general acceptance.

For Canada, particularly, but also for the rest of the world, the matter is of such extreme urgency that almost any plan is better than no plan. And whatever the particular merits of the White and Keynes plan, both raise issues so controversial as to prejudice seriously general acceptance of either one of them.

Less formidable, less restrictive, less interfering with national sovereignty than its British and American counterparts, the Canadian plan is an important step toward getting something done.

Canada's fine record in war finance and the high esteem in which Canada's top fiscal authorities are held among monetary authorities of the United Nations should augur well for the Dominion proposal winning a good hearing.

MR. NIXON UNDERMINES HIMSELF

Press reports of Premier Harry Nixon's election speech at Chatham show that he persists in making misleading and seriously erroneous statements. It is very difficult to believe that Mr. Nixon does not know the simple, incontrovertible facts.

Referring to Colonel George Drew, Mr. Nixon is quoted as saying: "Since the war began, he attacked the Bren gun contract given to the John Inglis Co. and forced the holding of a Royal Commission. These charges were unfounded and held up production of this essential war weapon for many months."

As clearly brought out in evidence before the Royal Commission, in the report of that Commission and in evidence before a Parliamentary Committee, the true facts are quite different.

Maclean's Magazine secured a copy of the Bren gun agreement, examined it carefully and decided that it was not, as it stood then, an agreement that was in the best interests of the Canadian people.

The editor of Maclean's discussed with officers of the MacLean Publishing Co. Ltd. the selection of the man best qualified to examine this contract in detail. There was unanimous agreement that Colonel Drew should be asked to take the assignment. Colonel Drew had written a series of articles on the manufacture of munitions and guns. He had campaigned almost since the end of the previous war for a well-equipped, well-trained Canadian Army, a view with which the MacLean Publishing Co. was in entire agreement.

As a lawyer and as one-time Master of the Ontario Supreme Court and Ontario Securities Commissioner, he was particularly well equipped to examine and analyze a contract.

Within a week of the time Colonel Drew's first article on the Bren gun contract appeared in Maclean's Magazine, the government took action regarding one point of criticism raised in the article, and revised the original contract with a subsequent saving of many thousands of dollars to the taxpayers of Canada.

An entirely new basis and system for contract purchases and payment therefor was established in accordance with the recommendations made by the Commissioner.

As a direct outcome of the investigation of this contract, the whole procedure for the letting of munitions and war supply contracts was changed, resulting in the creation of the Department of Munitions and Supply.

The two men chiefly responsible for the writing of that contract originally were transferred from the Department of National Defense to much less vital wartime posts.

As for the charge that the enquiry held up production, Major Hahn, in his evidence before the Royal Commission, stated emphatically: "We have made very satisfactory progress. We are right on schedule."

Furthermore, in an article in Maclean's Magazine May 15, 1936, an article by Colonel Drew entitled, "Our Bow and Arrow Army," advocated manufacture of modern machine guns and other implements of war in Canada and in a Canadian government arsenal.

Premier Nixon declared that Colonel Drew made further charges following the disaster at Hong Kong and that "again he was proved wrong."

Here the fact, of course, is that Colonel Drew wrote a letter to the Prime Minister substantiating the charges which he made. That letter was widely circulated among newspapermen, but the Prime Minister refused to table it in the House and the letter could not be published.

If Mr. Nixon is going to continue making wild, false and misleading statements of this kind, he is going to destroy any confidence electors may have in him on other matters with which they may not be so familiar.

* * *

A MODEL FOR OTHERS TO STUDY

Groups engaged in postwar planning, whether for their own industries or for submission to Ottawa, could not do better than use as their working model the statement made by the Canadian National Railways to the Special Committee on Reconstruction and Re-establishment.

Here is a specific blueprint for action. It shows in terms of dollars and man-days of work how much CNR would normally contribute to the national economy; how much in dollars and man-days will be involved in early postwar years in making up for the maintenance, modernization and replacement put off during war years.

Then CNR lists specific undertakings and projects which it might undertake to stimulate the national economy and to provide employment. These projects it breaks down into four categories, each representing work to be done under different national economic conditions. (See The Postwar World, page 6.)

As the largest employer, and as the largest buyer and user of materials in Canada, CNR exercises a tremendous influence on the whole business life of this country. Its recognition and acceptance of the challenge of planning now for the social and economic welfare of all Canadians after the war is most commendable. And the blueprint of work to be done submitted to Ottawa by S. W. Fairweather, vice-president of the CNR Research and Development Department, under the direction of R. C. Vaughan, CNR chairman and president, will provide an invaluable and stimulating guide for similar work by other industries.

Price Cuts Unfeasible Many Think

Ceiling-saving Study May Bring WPTB Boss to Trade Meetings in Near Future

To determine at first hand whether or not his suggested voluntary selling-below-ceiling policy reported in The Financial Post July 10 is feasible, WPTB Chairman Donald Gordon within the next two or three weeks is expected to visit business groups in Montreal, Toronto and possibly other points, trade sources tell The Post.

Meanwhile, with a view to establishing concerted opinion, executives of certain consumer goods manufacturing firms and of many of the larger department stores, food, drug and other chains, as well as of independent retailers, are said to be continuing discussion of the proposal in informal meetings and correspondence.

Opinion Adverse

While no stand is being taken in advance of formal discussions with the Board and no official statements on association policy are as yet available, opinion and individual reaction is far from being unanimously favorable. Retailers are reluctant to discuss in any detail or for direct quotation what might happen should the proposal be found feasible but

(Continued on page 2, col. 7)

Leave Refund Of Tax Free

By STAFF WRITER

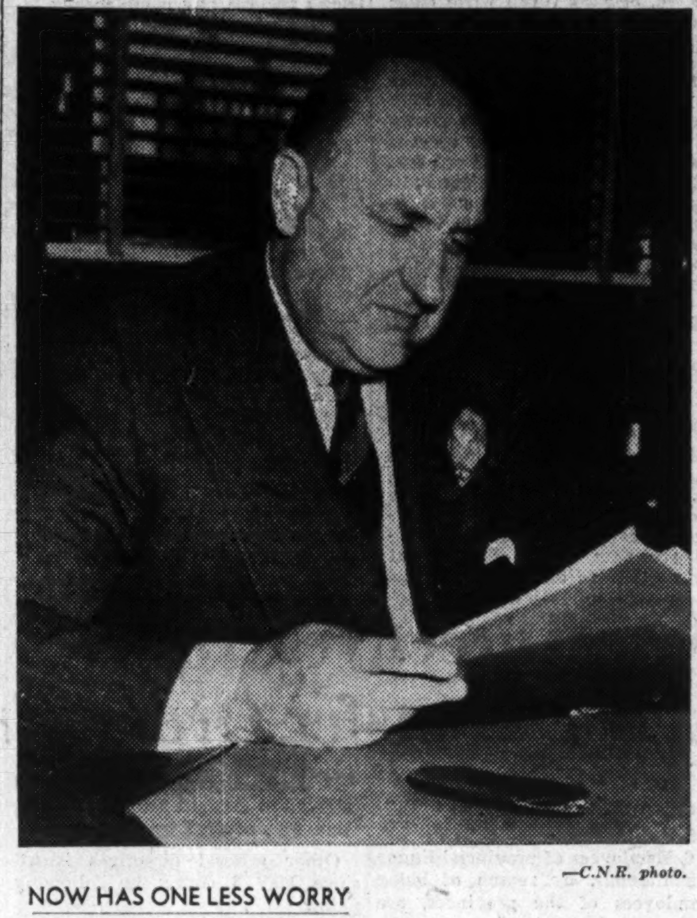
OTTAWA.—So far as highly-placed finance department officials are concerned, there appears to be no shred of evidence to suggest that an attempt will be made by the government to earmark or put strings on the refundable tax portion which corporations are storing up with the government for post war use.

Rather, finance officials are highly pleased that they early abandoned any thought of following the British plan and that they overcame the temptation to put strings on these refunds.

In initial discussions of this plan it seems likely that some plan was considered which might have required corporations to use these refunds for postwar reconstruction and extensions to plant. But it was quickly realized that such a scheme would not be practical for many corporations. The refund was, therefore, left with no strings whatever, except an "open end" provision which frees the government from setting a specific date for repayment of the refunds.

There is possibility that business leaders and dollar-a-year officials themselves may have discussed with holders of war contracts the desirability of turning back these refunds as a gesture to indicate the desire of business not to profit in any way from war orders.

If such discussions have taken place they have not as yet been in any sense official.



—C.N.R. photo.

NOW HAS ONE LESS WORRY

Among Montrealers taking satisfaction this week in the fact that at long last their new Central Station was officially opened and ready for business, none was more satisfied than CNR's president, Robert Charles Vaughan. Vice-president of the system when the $27 millions station project was begun in 1929, the problem of filling Montreal's famous "big hole" after work was suspended in 1932 was one of his administrative worries. Accordingly, he was a happy man when seven years later conditions permitted construction to be resumed, and a still happier man on Wednesday this week when at the formal opening he saw the job completed. Unlike the new Montreal station, R. C. Vaughan's progress through 45 years of railroading has been remarkable for its speed in a game where seniority counts heavily. From railway clerk in 1898 to president of the system in 1943, his climb up the success ladder has been outstanding.

Labor Shifts Are Diluted By Orders

Effect of Four Transfer Orders Halved by Later Interpretations and Recommendations

By STAFF WRITER

OTTAWA. — Effectiveness of the four compulsory transfer orders issued May 5 by the Department of Labor has been considerably diluted by reason of special "directives" issued since that time to local NSS offices.

Between May 5 and July 13 almost a score of interpretations and amendments to the original orders have been issued, most of which have had the effect of reducing the number of men who are liable to transfer under the four compulsory orders.

Occupations or industries now given special consideration or exempted from the general orders include:

Get Special Consideration

1. Fuel distribution men engaged in coal, wood and other fuel distribution until proper replacements can be provided.
2. Radio broadcasting stations (by reason of their providing an important service), not affected by the orders.
3. Theatres and musical organizations are to receive "careful consideration."
4. Establishments engaged primarily in retail food distribution to receive special consideration.
5. Dining car waiters on railroads not affected by the orders

(Continued on page 2, col. 4)

See Exchange Plan Vital to Canadians

Ottawa's Scheme Recognizes Great Stake in Monetary Stabilization of Nation With Large Foreign Trade Interest

By KENNETH R. WILSON

OTTAWA—Acceptance by other United Nations of Canada's proposals for a $12 billions International Exchange Union may prove a turning point in the planning of postwar world relations.

If the Canadian proposals are accepted as a compromise between the suggestions put forward previously by experts in Britain and the United States, then the multilateral basis of world trade which Canada believes is absolutely essential to postwar planning and prosperity, may be assured.

Marks New Point

Over and above these considerations, the Canadian decision to submit her own plan (undoubtedly with the blessing of the experts in Washington and London) marks a new and momentous point in our international status and relationships.

Originally there was no intention of putting forward a Canadian plan for international currency stabilization after the war. But when British and U.S. proposals were found to differ, Canada's experts decided at once to try to effect a compromise by putting their recommendations in the form of the alternative proposals, released in the House this week.

So far, no one of the three plans has any official government backing or support. The British plan is called the "Keynes" plan after its chief author and sponsor, Lord Keynes. The U.S. plan is called the "White" plan after Harry D. White, Director of Monetary Research in the U.S. Treasury. The Canadian plan is attributed to a group of anonymous "Canadian experts."

Canadian Experts

Though the Canadian group has not been named "officially" it may be assumed that it comprises at least six members of the government's fiscal and economic "brain trust." The six names include:

Dr. W. C. Clark, Deputy Minister of Finance and chairman of the Advisory Committee on Economic Policy.

Graham F. Towers, Governor of the Bank of Canada.

Dr. William A. Mackintosh, special assistant to the Deputy Minister of Finance and vice-chairman of the Advisory Committee on Economic Policy.

Robert B. Bryce, Department of Finance and secretary of Advisory Committee on Economic Policy.

John Deutsch, economist, representing Department of External Affairs.

Louis Rasminsky, chairman, management committee, Foreign Exchange Control Board and recently named executive assistant to Governor Towers.

To Resolve Differences

The Canadian proposals aim to resolve several basic differences or objections to the plans put forward earlier by Britain and the United States. One of these differences is the size of the fund to be established.

Another is the method by which the exchange rates of the various countries which enter the proposed "union" shall be determined.

A third important difference on which the Canadian plan offers a compromise suggestion is the matter of veto in the administration of the proposed machinery.

The Canadian point of view is that it would be fatal to have the "resources" of the central fund too small, as it is believed would be the case in the American proposals which call for an initial "kitty" of about $5 billions.

At the same time the British proposals which operate on the "over-

(Continued on page 2, col. 3)

Elson from Washington

Canada's Currency Plan

By ROBERT T. ELSON

- Canadians Get Headlines in U. S. Press
- Question Italian Will to Fight
- To Seek Postwar Airplane Landing Rights Abroad

● American official treasury sources tended to be reserved in commenting on the new Canadian proposals for monetary stabilization pending further study of Mr. Ilsley's document tabled in Parliament Monday. While they had been discussed in general at recent meetings of 19 United Nations in Washington, they had not been available in detail prior to their publication in Ottawa.

To the American eye they represent a compromise between the British and American proposals and again stress the general agreement on principle, which exists between most of the financial powers, as to the desirability for stabilization.

One American expert said that the Canadian proposals commend themselves to the United States because they relied upon a prime principle of American banking as compared with British principle. This was as he put it that the Canadian scheme envisaged financing through an initial deposit rather than overdraft, which is typical of British banking methods. In other words the Canadian plan called for each country to make definite commitments to the central pool, whereas the British, or Keynes, proposals for an international clearing union require no initial deposits to the central authority.

Also approved were the Canadian unique provisions to control scarce currency. But their weakness is that the method of determining the initial quotas by which each country is required to provide funds are not set out in detail. On this point Mr. Ilsley's statement and the outline of the Canadian plan merely say that "The quotas . . . . . shall be determined by a formula, with due regard to factors such as international trade, national income and holdings of gold and foreign exchange convertible into gold."

● This leaves some large questions unanswered. One criticism directed against the previous Keynes' proposal of the British Government was that it was based on pre-war foreign trade in which Britain had the edge. The Americans scented, probably without warrant, an ingenuous proposal by which pre-war trade percentages would be projected into the postwar period. Therefore before the United States can be expected to comment on the Canadian proposal they would want to know more about the "formula" mentioned above.

In the long run, I am told on the best authority, these international monetary stabilization plans will finally be worked out in a full-dress United Nations' meeting. The U. S. Treasury will not be able to go to Congress for approval of the American participation until it gets commitments from other nations which can only come from an international conference on what is called here a "ministerial level." So far all talks have been on the expert level, which means that the findings are not binding on the participating powers.

● Canada's military credit never stood higher in the United States

(Continued on page 2, col. 4)

Steel Output Drop Hits Canada's War Effort

New Productive Capacity Coming in Hoped to Offset Decline Due to Labor and Mechanical Troubles in Several Plants

By STAFF WRITER

OTTAWA.—Canadian production officials are concerned about the 30,000 ton drop (over 13%) in June steel output from the May level although not yet clear on what action, if any, can be taken.

The June decline took that month's figures down to the lowest figure, except for the steel strike month of Jan., 1943, in the past 18 months. It is attributed to labor scarcity and labor problems generally as well as to difficulties involved in bringing new capacity, shortly to be added to Canadian mills, into operation.

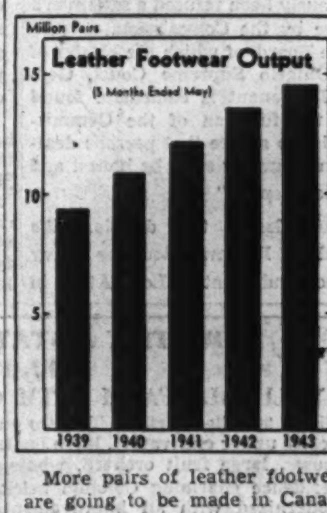
Important new steel production is now coming into the picture at Hamilton and the Soo. The new electric furnace of Steel Co. of Canada, with a capacity of 7,000 to 8,000 tons per month, is just now getting into production. On July 25 it is expected that the new Algoma Steel blast furnace will be blown in. Ultimate capacity of this furnace is given as about 1,800 tons a day and by Oct. 1 it is expected that it will increase Canadian capacity by at least 10,000 tons a month. New coke ovens at the Soo also came into production at the first of July.

Dosco Plant Changes

Production of pig iron in Canada has been running behind in recent months because of plant changes at Dosco. A year ago Dosco had three furnaces operating. Until last week it had only two. As part of the rebuilding program at Sydney, a new furnace has been moved there from the Ojibway plant at Windsor and has now gone into production. The new furnace will relieve the pressure on the older equipment which is due for overhaul and relining.

Production of pig iron in May (latest figure available) was 10% lower than the same figure a year ago. However, it is possible to vary percentage of scrap going into finished steel and to maintain steel production in face of lowered pig production so long as sufficient scrap is available.

Pace of Business



More pairs of leather footwear are going to be made in Canada this year than ever before, judging from results for the first five months. This year largest gains are being made in men's and boys' shoes with output of women's and children's shoes under a year ago.

National Income, estimated by DBS for May, struck a new peak, was running at an annual rate of $9 billions.

Wholesale sales, off for the third consecutive month, are still well above a year ago.

Employment and payrolls are down more than expected for May although manufacturing employment showed gains.

Carloadings, week ended July 3, are down more than 3%; cumulative 1943 total down 0.3%.

Cattle sales for June down less than ½%; half year's total drops 5.7%.

Hog sales for June 14% above last year; half year total up 1.1%.

For complete business statistics see page 7.

May Pay Special Bonus For Coal

By STAFF WRITER

OTTAWA.—Decision will probably be made here this week as to whether or not a production incentive bonus will be paid from public funds to supplement present wage rates paid Canadian coal miners.

Strong pressure is being brought to bear to have such a bonus authorized. It is pointed out that coal is in a very special emergency category and has been so declared under emergency legislation passed a year ago. The payment of such a bonus would be, it is argued, a precedent for payment of a similar bonus in other industries.

Investing for Tomorrow

Brazilian Traction's Future

Continued Record of Growth in Services Established

By BRUCE MacKINNON

In the first 25 weeks of 1943, Canadian investors bought and sold 361,948 shares of Brazilian Traction, Light & Power at prices ranging from $14.50 to $28.25. During the process of that approximately $7 millions worth of trading, nearly $100 millions has been added to the market value of Brazilian's common stock. And in the year and a half since Jan., 1942, the market value has grown approximately $150 millions.

The driving power behind this unusually heavy demand has not primarily been the increased profitableness of Brazilian Traction (per share earnings have risen only 22% while the market price has advanced 300%). The impelling force has been a radically revised appraisal of the outlook for Brazil itself and for outside capital serving that nation.

Fundamentally, Brazil is still a young country. Although its population is about four times as great as Canada's and industrial development in some regions has reached a high plane, the frontiers are still open, many parts of the country have been scarcely explored, a fraction of its natural resources harnessed.

And Brazil, in common with other young nations, has been heavily dependent on the export markets for staple commodities, principally coffee and raw cotton. What that sort of dependence can mean in terms of violent economic upswings and depressions has been demonstrated repeatedly in Canada, most recently and most forcibly in the depressed condition of the grain-growing west and the fisheries of the east when export markets collapsed after 1929.

What it meant for Brazil in the 1930's were huge bonfires of surplus coffee that have been smouldering for years; a collapse of the foreign exchange rate of the milreis; a short period of political unrest and a long and finally successful struggle under President Getulio Vargas to achieve a more diversified, more depression-proof economy.

Evidence of the general success of the economic policies adopted and of the recuperative vitality of the Brazilian economy is the quickness with which the forces of depression were liquidated.

What has given the Brazilian economy this tremendous vitality?

Mainly natural resources. Coffee, the best known, is only the beginning. Brazil normally produces about two thirds of the world total. Cotton comes second in the public ken, with Brazil ranking fourth in world production, accounting for about 8% of total, and rapidly transforming its raw cotton industry into a finished textiles trade.

And rubber. In the first decade of the century, Brazil supplied more than half the world's total from its jungles along the Amazon. Cities and fortunes mushroomed in the years before cultivated rubber plantations put the jungle out of business. Now Brazil is getting a second chance at the opportunity it let slip when Asia began cultivating rubber. Some 50,000 Brazilians are going back to the jungle, this time aided by science, aviation, modern equipment. This time they are going to farm rubber, not mine it.

Brazil has iron—an estimated 15 billion tons of ore, most of it in the State of Minas Geraes, 300 miles or so from seaboard. The reserves are roughly 50% greater than those of the United States, yet Brazil's steel output—even when the 300,000-ton Volta Redonda plant begins operation—will be only about one tenth that of Canada, less than 1% that of the United States. The ore is high grade, mostly estimated at around 70% iron content—we regard 60% as extremely good grade ore.

Handicap for Brazil's steelmakers used to be a shortage of good coking coal. In the southern states of Rio Grande do Sul and Santa Catarina are major coal deposits, but until recently no satisfactory coking process had been developed. Before the war

(Continued on page 8)

MEN'S SHOP

FINE APPAREL FOR MEN

FOR YOUR SUMMER WARDROBE

- Sports Shirts in Cotton and Spun Rayon Weaves.
- Sports Slacks in Flannel and Worsted.
- Sports Jackets in Various Styles.
- Pullovers in Various Styles.
- Windbreakers.
- Swimming Trunks in a Variety of Colours.
- Terry Bathing Robes.

And, of course, summer suits in tropical worsted.

The Men's Shop

Civil and Military Outfitters

Cor. Bay and College Sts.

at EATON'S - COLLEGE STREET

The War and Business

By BRUCE MacKINNON

Opportunity

The electrical industry is most anxious to make a millionaire out of some inventor. All the candidate has to do is discover an electrode (heating element) which will stand up under extremely high temperatures without deteriorating rapidly. Such an element would help solve the problem of "storing" electrical energy, would go a long way toward overcoming the peak load difficulty which necessitates developing several times the horsepower that is needed for off-peak operations.

How it would work has been demonstrated in two specialized types of coal range being made in England and sold here. In these ranges, a small, hot, efficient coal fire burns steadily, transmits its heat to a large block of high carbon steel which is kept thoroughly covered and insulated when the stove is not in use. This big heat reservoir is tapped when a lid is removed—food can be cooked on the heat that was generated hours before.

Given a suitable element, electric stoves could use the same principle, could cut the power needed by half or more, we are told, would permit electricity for stoves to be cut off during peak hours as is done with electric hot water heaters which are also able to use the thermal storage principle. All that's needed is an electrode that will stand intense heat indefinitely.

* * *

More Tea

More rather than less tea for consumers on this continent is anticipated by Sir David Meek, Indian Trade Commissioner at London. Up to now the tea drinker has had a considerably more generous ration than might be expected, because even when shipping has been tightest, there has been a big arms movement to India. On the return trip the freighters are loaded with such cargoes as manganese and burlap, both very heavy, which leaves plenty of room for light "balloon" cargoes like tea. Sir David points out that while many prices in India have risen sharply, in some cases as much as 400%, the price of tea to Canadian consumers is only 10% above 1939. Clearing the Axis out of the Mediterranean should help to add further to consumer supplies, and the 1942-43 tea crop in India was of bumper proportions.

* * *

Dope Boom

Having Japan for an enemy is tough on dope addicts according to Col. C. H. L. Sharman of the Department of Pensions and National Health. Morphine and heroin are now selling illegally at over $8,000 an ounce at the coast and at over $5,000 in Toronto. An ounce contains 436 grains, and an advanced addict will take 7 to 8 grains a day—expenditures of $100 a day for dope are not uncommon.

The price boom is attributed by health authorities almost entirely to the severance of trade relations. If anything, they believe that addiction is on the decrease, partly because of the scarcity. But they don't believe any complacency is warranted, are strong for further checks on the traffic. Sample check: cessation of the practice of issuing "D" license plates to doctors—they say the "D" is an invitation to the addict to break into a doctor's car in search of dope.

* * *

Honesty Boom

Paradoxically, the traditional honesty of Canadian bank employees has tended to increase rather than decrease with the addition of green help caused by war, a bank inspector tells us. The point he makes is that most people are honest anyway, that putting one over on a bank is extremely difficult. To get away with it, even for a short time, involves a most detailed knowledge. If the newcomers had any abnormal propensity toward dishonesty, he says he has seen no signs of it, the very fact that they are new to the business would prevent them from having any success in this direction.

Organize Plan For Building

"Any organization with construction interests, a job to do and the will to do it is welcome to join us in planning against chaos during postwar readjustment," president A. S. Mathers of the National Construction Council of Canada told The Financial Post, in discussing current NCC objectives.

In point of probable cost and anticipated general benefit it is held to be the most ambitious organizational plan yet to originate in the construction industry.

To consider organization of a permanent headquarters staff, reconstitution of regional committees, and a detailed program of operation for the year 1944, the executive of the NCC meets in Toronto on July 22.

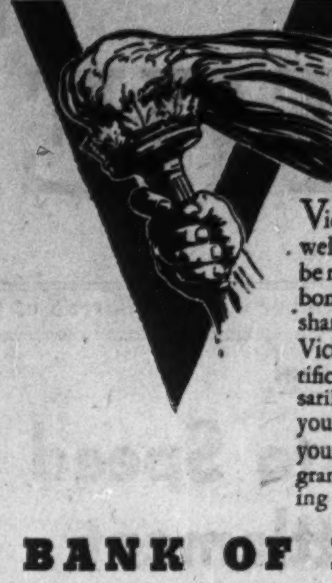
Associated with the Council in the enterprise is the Canadian Heavy Industries Federation for Postwar Reconstruction, of which C. Stanley Kane of Dominion Bridge Co., Montreal, is president, and Joseph T. Crowder, Toronto, secretary.

Representatives of the HIF and of the Dominion Mortgage and Investment Association, who attended a preliminary meeting on June 24, will be present for the forthcoming session, which will take place as before in the Toronto headquarters of the Ontario Association of Architects. The planning scheme was launched at an executive meeting held on June 17 and arises from proposals placed before the NCC's annual meeting on May 27.

International Nickel Co.'s C. E. McDonald, Toronto, of the HIF, is chairman of the joint finance committee.

Draft plans for financing and organization in the fall, and several proposals for the actual work to be undertaken when Council and Federation have breasted the preliminaries, have now been crystallized after several weeks of intensive discussion. They are to be submitted by NCC President Mathers on Thursday for executive approval after which they will be referred to the constituent organizations.

Proposed is a comprehensive plan for the employment of the construction and heavy-manufacturing industries during the coming period of conversion to peace economy. The plan will cover such matters as the relation of government to private enterprise, the correlation of known, planned works, both privately controlled and public, that could be carried out to give momentum to industrial reconversion, the collection and dissemination of data on building materials and technique among members of constituent organizations, and the development of a public relations program.



VICTORY

Victory's price is high—in money, as well as courage. Enormous sums must be raised for ships, planes, tanks, guns, bombs, shells and bullets. Have a share in the victory by *saving* to—buy Victory Bonds and War Savings Certificates and Stamps—pay the necessarily heavy income taxes—keep up your life insurance and provide for your future independence. Such a programme of determined, systematic saving is part of the price of VICTORY.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service... the Outcome of 125 Years' Successful Operation

A114

Price Cuts Unfeasible Trade Sources Think

(Continued from page 1)

representative individuals contacted by The Financial Post foresee many complications in implementing any such scheme.

Speaking for a department store a top executive told The Post that the management had discussed the proposal in some detail in an exploratory way, and had acknowledged the Gordon letter, but without as yet offering expression of the company's reaction. "It is an unusual request and method," he told The Financial Post, adding that the company preferred to withhold discussion for publication until opportunity had been made for official conversation and further study.

Grocery and Hardware

Position of the grocery retailers is described in that quarter as forbidding compliance with the appeal.

"The grocers have lost so many lines, the profit margin on big turnover staples is so slim, that a good many don't even clear overhead. In general, the financial statements for the past year showed increased sales but reduced profit and increasing shortage of supply impairs this year's prospects."

The hardware trade is said to feel that it is in an even less favorable position as regards the price-reduction proposal. Depleted stocks in restricted lines, and the list of these is a long and growing one, have introduced a decline in sales volume and the average net profit prospects are held to be not such as would enable the merchant to commit himself to price reduction.

Merchants Puzzled

Says one man, closely in touch with conditions in the general merchandise field:

"Though not materially lower, profits are lower and, with goods becoming ever more scarce, it is virtually impossible to estimate what price reductions could be undertaken without threatening impairment of the merchant's financial position."

Another doesn't see how it will be possible to make any commitment that prices will be reduced, he too citing the increasing uncertainties of supply, particularly in low-price essentials:

"The scheme might have worked in 1929 or 1932 when we could get all the goods we wanted."

It is held in certain quarters that reductions by chain stores wouldn't affect small stores' prices in any case.

"If a grocery chain were to reduce prices of certain goods below the legal maximum, raiding by independents and hoarding by consumers would be encouraged," says a well-known merchandiser, defining raiding as buying by subterfuge, using the chain as a wholesale source.

Variety stores, The Post is told, are stocking considerably more high mark-up goods than previously, because of shortage of low mark-up staples like men's business and work shirts, and children's wear. Supply shortages are said to be such that they have brought about declining volume in many stores, thus throwing out of balance the proper ratio of handling costs to prices. Staff inadequacy and staff laxity, a wartime flurry of shoplifting, heavy taxation and increasing average wages despite the wage ceiling, are cited as other factors in uneconomic overhead.

Origin of Plea

As outlined by The Financial Post a week ago, chairman Gordon's appeal for aid in defense of the price ceiling took the form of a "private and confidential" letter to well over a hundred business leaders in manufacturing, wholesale and retail trade and leading organizations in the consumer goods field, asking that they restore or establish a low-price, below-ceiling policy so long as overall profits provided a reasonable return or so long as business profits were at prewar standards.

Behind the appeal lay a record of steadily increasing upward pressure on prices with attendant gains in the cost of living. The Dominion Bureau of Statistics cost-of-living index, adjusted last December by consumer bonus payments on milk, tea, coffee, and oranges, now is nearing another critical point. If the index moves .4 point or more this month every employer will be required to increase his cost-of-living bonus unless WPTB adds another commodity or commodities to the consumer subsidy list.

Further pressure on the price ceiling would be inevitable should the McTague wage-labor inquiry find in favor of relief for wage-earners in the minimum brackets.

Ottawa finds a disconcertingly steady increase in the general price level of most consumer goods due to shifts to new sources of supply, substitution of more costly raw materials, increased transportation and other costs. A problem raised directly in Donald Gordon's letter bore on the fact that scores of prices for trademarked or other merchandise had been raised because producers and distributors had found that a minimum selling price or mark-up which applied formerly on a small percentage of merchandise could be legally extended to an entire line.

See Exchange Plan Vital

(Continued from page 1)

draft" or open account system, are believed to present the other though less serious weakness of being too wide open. The theoretical limit under the British plan would be about $25 billions.

Sets Maximum Fund

The Canadian "compromise" is for a plan which would give the new institution "assured resources" of $12 billions.

In the Canadian plan, initial exchange rates are to be fixed by agreement between member countries and the Union. Any further change would require consent of the country itself.

Follows Washington Visit

The decision to produce a separate Canadian plan was made after three Canadian "experts" had visited Washington in April at the request of the U. S. Treasury to find out more precisely what was meant by the "White" proposals which had been made public a few weeks earlier. As far back as last fall, Canadian experts had visited Britain for preliminary discussion with the U. K. in regard to the Keynes proposals.

When the Canadians returned home in late April they were faced with the decision as to how best to present their views in a way that would not only give chapter and verse as to Canadian opinion on detailed features of the two plans, but would also give the larger perspective of the Canadian view on currency stabilization as a whole.

To do this and present these views at a subsequent meeting of some 17 or 18 nations in Washington in June, it was decided to present the Canadian viewpoint in the form of a Canadian plan. It is this plan which has now been made public.

As yet there is no indication as to how soon the next move may take place. More informal meetings of experts are apparently due to be held shortly. (So far, Maynard Keynes, the author of the British plan has not participated in any of the discussions at Washington.) There has been no "official" reaction from Britain or the United States as to the attitude towards the Canadian proposals.

The feeling at Ottawa is that the sooner a formal conference is called to discuss the whole matter, the better. There is no indication that any other United Nation is preparing to submit any further alternate plan to those already put forward.

Comparative details of all three plans—Canadian, British and American—are given on page 4 of The Post this week.

New Directives Dilute Labor Transfer Orders

(Continued from page 1)

(in line with priority given to railways generally).

6. Employees of provincial liquor commissions, by reason of being employees of the provinces, are not covered.

7. Parts and stock-room employees authorized to continue in present employment as much of their activity relates to high priority industry.

8. Employees in key occupations in dyeing, cleaning and pressing to be continued for the present.

9. Butchers, pharmacists and domestic appliance repair men to receive special consideration since their activities relate to the "health and welfare" of the community.

10. Hospital workers are to receive treatment comparable to that given in high priority industries.

Reduce Numbers Affected

Other directives which have had an important bearing on the number of men affected by the orders include:

1. Physical fitness to be considered in directing a man to employment.

2. A person presently employed with a firm in labor category "A" or "B" but whose occupation is included in the orders, is not to be directed to other essential employment unless a replacement can be furnished.

3. Workers are not required to accept employment at wages below a certain minimum.

4. Men with dependents are not being compelled to take work outside the community in which they reside.

5. Technical personnel have been ruled as not subject to the orders.

Two Additional Groups

In two cases, the new directives which have been issued have extended the compulsory transfer orders to additional groups. These two are:

1. Retail dealing in lumber, roofing and building supplies to be affected by the orders.

2. Pawn shops and second-hand stores are deemed retail trade and therefore covered by the orders.

Other general directives issued since May 5 cover the following points:

1. Where men affected by the orders cannot be fitted into war industries immediately they are to be appraised as potential trainees under the War Emergency Training Program.

2. Persons directed to employment under the orders cannot leave it for at least 6 months without permission nor can the employer terminate the employment within 6 months without written permission.

3. Persons directed to employment under one of the orders has the right to reinstatement in his original employment on completion of the work to which he was directed.

4. In certain circumstances, men required to register under the order may do so by mail.

Big Effect in Montreal

In Montreal it was found that exemptions as indicated by the above directives had cut the grand total subject to transfer virtually in half. Writing in the Montreal Gazette recently, Guy Cunliffe found that of 5,358 men who had registered under the first two orders only about 2,600 were found to be affected in view of the special exemptions that have been issued. Of this remaining 2,600, about 1,000 had been called in and directed to new essential or higher priority jobs but only 250, or 4.6% of the original number who registered, had definitely been placed.

Labor Department officials say there are no figures available since the June 12 breakdown given in the House of Commons on June 23 by Hon. Humphrey Mitchell. They estimate, however, that about 25,000 have now registered compared with 18,600 at that time. On June 12 the total number that had actually been directed to higher priority work was 2,397, or about one in eight.

Gordon Letter Provokes Reply

By STAFF WRITER

OTTAWA.—Price Board officials here are highly pleased by the preliminary but "very fruitful" replies already received from business leaders invited to co-operate with Chairman Gordon in reducing prices below authorized ceilings.

In all, some 186 letters have been mailed under the chairman's signature, the last of which left Ottawa at the end of last week. Many recipients of the letter (outlined in detail in The Post last week), have merely sent an acknowledgement to Chairman Gordon and indicated their desire to give his suggestions further study. Others have made important and constructive suggestions as to ways and means in which the general purposes of the letter can be followed by definite action.

In all cases it is reported that replies received so far have been definitely favorable and appreciative that Mr. Gordon has taken business into his confidence in seeking co-operative action toward removing pressure on the price ceiling.

What is likely to come out of the proposals, once a little more time has been given for study on both sides, is one or more meetings between Mr. Gordon and business leaders to discuss at first hand the chairman's proposals and the ways and means which business leaders have suggested for meeting these proposals.

In some cases business leaders have suggested that they would like to study the proposals in group or association with others in the same line of business rather than individually. In this connection it is pointed out here that the Gordon letter, though marked "personal and confidential," was intended to provoke discussion.

Newsprint Firms Ask $6 Advance

From Our Own Correspondent

MONTREAL.—Canadian newsprint operators seek an increase of $6 a ton in the price of paper sold in the United States. Demands were outlined at a meeting attended in New York by Office of Price Administration officials and a group of newspaper publishers. The latter contended that the increase in ceiling price, if any, should be less than the $6 asked.

Further meetings will be held between OPA officials and the WPTB either in Montreal or Toronto before a final decision is made.

Require Stock Sellers Be of "Good Repute"

Board of Review Makes Ruling For Ontario Securities Commission — Salesman Can Purge Offense

An important directive for the Ontario Securities Commission in granting registration to security salesman was laid down in the recent Board of Review judgment on the appeal by an individual who had previously been refused a salesman's license by the Commission.

The Board, of which the Master of the Ontario Supreme Court, Gordon D. Conant is chairman, found that the function of the Commission is "to secure that persons dealing in securities shall be honest and of good repute."

In rendering this decision, the Board of Review cited the Privy Council judgment of Lord Atkin in 1932 where his lordship stated of the Alberta Securities Act 1930:

"There is no reason to doubt that the main object sought to be secured in this part of the Act is to secure that persons who carry on the business of dealing in securities shall be honest and of good repute, and in this way to protect the public from being defrauded."

A previous conviction need not be grounds for refusing a license, the Board ruled, its report stating: "It may well be that in some cases it may be considered that the applicant has purged the offense and has atoned for his misconduct by satisfying the penalties imposed upon him."

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Elson From Washington

(Continued from page 1)

than it does at this moment because of our participation in the invasion of Sicily. Thanks for this go primarily to those who insisted upon the inclusion of Canada's name in the initial communique; secondarily to the smooth working arrangements of the Canadian Press which provided for swift transmission of Ross Munro's vivid eye-witness accounts of the Canadian troops in action, featured in all U. S. newspapers.

Reports of the Canadian forces in Sicily are more detailed, more vivid than those provided by the American reporters. The result is that Canada has been making headlines in the American press. This is the answer to those who worried lest Canada not be given full credit for her participation in the war. Canadian troops in action have supplied the answer. Your American neighbors assumed from the start that Canadians would be in the forefront of the action and the subsequent developments have justified this assumption. Certainly national credit is secondary to the vast objectives involved in the opening of the Battle of Europe, but Canadians can take comfort and satisfaction in the fact that the name of Canada has been identified in the American mind with a decisive phase of the war. Canadian courage has had its just recognition.

● Senator Truman, chairman of the investigating committee which bears his name, has revealed that Senator Mead, New York, and Senator Brewster, Maine, would shortly, in the course of a world tour of battlefronts, review a problem that directly concerns the postwar relations of the United States and Canada. This is to seek a guarantee that American planes have postwar landing rights on fields built abroad with United States funds.

Immediately Senator Truman was not thinking of Canada. He was thinking of the Middle East and the Far East and perhaps Australia. But if the committee carries investigation far enough it will find that the United States has built a number of airfields in Canada, for which no postwar provision for landing rights have been included. Prime Minister King is the authority for the statement that the United States has no vested postwar interest in these airfields.

But the American attitude, apart from the State Department, is likely to be that of Senator Mead who said here this week:

"It is our understanding that hundreds of fine airports have been built and are being built with American money . . . and that these fields will revert to the countries in which they are located six months after war ends. If there is anything to Lend-Lease in reverse we certainly should have some concessions which would permit our commercial planes to land on the fields and use their facilities in the postwar era."

While Canada accepts no Lend-Lease, Canadians must face the fact this question must be squarely met in their postwar relations with the United States. It is one of the coming problems which will require delicacy and tact in the handling.

Trading Heavier in Unlisted Stocks

Plaxton, McDonnell & Co. state that strength was general throughout the unlisted stocks during the past week, with heavier volume of trading.

Atlas Steels common gained 1 point at 24 bid. B. C. Pulp & Paper common gained 1 point at 11½-13¼. B. C. Pulp & Paper 7% preferred gained several points closing 76-80. Brown Co. 6% preferred showed a similar advance closing 40-42½.

Canadian Industries B common firmed 3 points closing 163-165. Canadian Industries 7% preferred advanced 1½ points at 167 bid. Canadian General Investments firmed ⅛ point at 9¾-10¾. Gurney Foundry preferred was fractionally stronger at $2.10-$3. Loblaw Inc. showed a similar gain at 12½-13¾. Minnesota & Ontario Paper common also scored a fractional advance at 8¾-9¾. Western Grain 6½% preferred firmed 1 point at 39¼-42½.

Investors Syn. Order Denied

A temporary restraining order asked by the Securities Exchange Commission against Investors Syndicate, Investors Syndicate of America, Inc., Investors Mutual Inc., et al., has been denied by the Federal District Court in Minneapolis, officials of the Canadian company tell The Financial Post.

In his reasons for judgment, U. S. District Judge Gunnar H. Nordbye stated in part that it appeared the companies concerned are entirely solvent; "that there is no fraud, unlawful practices or violation of the act charged in connection with the original sale of any certificate issued by the defendant, Investors Syndicate"; that suggestion at the argument that an evil intent may have existed at the time of the sale of certain certificates "seems on this showing at least quite tenuous"; and that balancing of the equities required denial of the restraining order.

LET'S SEE,

what ARE the facts regarding THIS investment?

Busy? Of course you are. That's how you got to where you are today. But that single-purpose concentration precludes the time to study personal investments, insurance problems and taxes. The Financial Post will answer your personal enquiries on these problems, if you are a subscriber. This Extra service alone can be worth much more than the cost of a full year's subscription. Are you using it?

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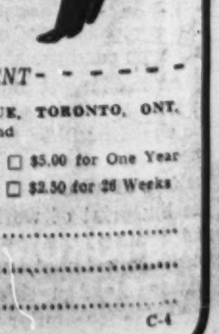

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C-4

In Your Opinion—

How Can We Improve Fuel Supply?

The Question: What steps could be taken nationally to improve distribution and supply of fuel?

Arthur Cross

President, Dominion Coal Co., Montreal.

Speaking of the bituminous coal situation in eastern Canada with which I am familiar, the paramount problem is production. Distribution, which includes water and rail transportation, has been and is being so well directed by government departments, that no curtailment of work in any industrial plant has resulted from the shortage of coal. Production is directly dependent upon manpower and materials, the supply of which must be considered in relation to total war effort, and is now being done by appropriate government departments. Obviously, Canada must lean heavily upon importations from United States to make up the total tonnage of coal required, but nevertheless Canada must do her utmost to produce to the limit. The nature of Nova Scotia operations does not permit development of new mines to a producing status under several years.

• • •

L. A. Campbell

President, International Coal & Coke Co., Trail, B.C.

On account of unsettled conditions, it is impossible to offer an opinion as to how distribution and supply of fuel in the West can be improved.

• • •

C. C. Downey

Reeve of Swansea Village, Toronto suburb.

I suggest the purchase by the government at mines or at our borders of all coal for equitable distribution to local dealers. Municipalities should be entitled to establish coal yards or piles where local distribution by dealers is unsatisfactory. Local dealers should not be disturbed where conditions are satisfactory and sufficient. Possibilities of central heating by municipalities through tax rate for the future should be investigated.

• • •

Lewis Duncan, K.C.

Member, Board of Control, Toronto.

I agree with resolution unanimously passed by the City Council: first, that the Dominion Government assume control of fuel from mine to consumer; second, that fuel delivery services of dealers in this area be pooled. A large increase in production of Alberta fuels is possible under unified management. Arrangements should be made to supply Alberta fuels to Ontario and western states in exchange for United States fuels. Estimated pooling in Toronto will effect 25% saving in manpower and trucks. Index of consumers is required to prevent multiple ordering and hoarding.

• • •

D. H. Elton

Mayor, Lethbridge, Alta.

To improve distribution, all coal shipped should be distributed under the direction of the Regional Fuel Controller so as more equitably to supply all districts. Unloading cars more rapidly at terminals would prevent shutdowns of mines for lack of railway cars as occurred last winter. Alberta coal output for the first five months of 1943 increased approximately a quarter of a million tons over the first five months of 1942, but a still greater increase could be made if absenteeism were eliminated by deducting income tax on a daily basis instead of semi-monthly, and making adjustments of income tax on overtime pay, as this would undoubtedly encourage men to work full time.

• • •

H. J. Fairhead

President, Lake Simcoe Ice & Fuel, Toronto.

Require householders to take a certain proportion of coke or pocahontas with all deliveries of Pennsylvania anthracite. Ration users to 90% of their consumption during last winter. Make available for delivery or mining of coal, army draftees accustomed to handle fuel as exigencies may require. Assign troops in metropolitan areas, skilled in delivering coal, to local distributors for a period of their furlough. Make diplomatic representations to Washington to endeavor to stabilize working conditions in the coal areas so that the maximum output may be attained this summer.

• • •

W. J. Fraser

Mayor, Pembroke, Ont.

While I can claim no familiarity with the coal situation, I believe that in wood burning areas where the supply is available, a great deal could be done to alleviate the situation. I consider it a responsibility of the Federal Government. It is a matter of manpower, and they are the only ones that have it or the means of raising it. I believe some consideration might be given to putting some of our home defense army in the bush with some experienced supervision. The $1 subsidy is all right as far as it goes, but does not make up for the labor which just is not available.

• • •

James Hamilton

Mayor, Peterborough, Ont.

We all realize that there is going to be a dangerous shortage of coal this winter, and that all available coal must be distributed to every one requiring coal. Therefore, the fuel controller should require everyone using coal to register their requirements with one only recognized and established fuel dealer, and the amount on hand. The dealer should then be compelled to distribute available coal pro rata and to the best advantage amongst all who have registered, taking into account any coal on hand. Also, make it an offense with punishment if anyone obtains more than his allotted share by buying from more than one dealer or otherwise.

• • •

W. J. Heaman

Mayor, London, Ont.

I would suggest that no dealer be allowed to deliver to any premises, before Feb. 1, 1944, more than three-quarters of the total amount delivered to that premises in the heating season of 1942-43; that a central index of coal deliveries for the last heating season be set up to which all dealers would supply information on their previous year's deliveries, provision to be made for estimating the equivalent amount in special cases such as new houses, new or duplexed houses, etc. I am satisfied that if people will burn the fuel available, there will be sufficient of some type of fuel for all in the coming winter.

Beaudry Leman

President, Banque Canadienne Nationale, Montreal.

Fuel is in Canada a prerequisite to almost all forms of economic activity. Sufficient fuel must be made available. Fuel controller has insisted on shifting from oil to coal in domestic heating at a time when the oil situation seemed to improve and coal situation to worsen. He doubtless has satisfactory reasons for such attitude but the uninformed do not understand.

• • •

S. N. MacEachern

Mayor, Saskatoon, Sask.

The only way the fuel shortage can be relieved is by producing more fuel. More wood and coal can be produced if the necessary manpower is made available in mine and forest. This is a job for Selective Service. Compulsion may be necessary.

Fuel other than wood and coal can be made available in certain parts of Canada. For example, the northern half of Saskatchewan could use natural gas if the necessary pipe for transmission and distribution lines were made available. The wood and coal now used could then go to other parts of Canada not so fortunately situated. In the case of wood the government may have to raise the ceiling price or pay subsidies in certain sections where dealers can supply wood only at a loss.

The present campaign for the conservation of fuel by keeping the fuel burning equipment in good order and the publicity urging citizens to get their next winter's supplies early this summer or fall should be continued and intensified.

Rationing of coal should not be attempted because the rationing of such an essential commodity as coal for which there is no substitute would be impractical.

• • •

J. McLean

Editor, The Herald, Elmwood, Man.

Among the first requisites ensuring adequate supply and delivery of fuel is retention of an ample number of competent workers at mines, railroads and yards. This is essential wartime service. Contribution toward a solution of the present problem is the removal of much uncertainty on the part of the public and dealers by a frank statement as to what rate different kinds of coal will move in the next eight months, particularly in sub-zero areas. The public might be advised of the percentage of stock each month to keep production and delivery at a peak. Many homes have limited storage space. Are such expected to increase the same temporarily?

• • •

S. R. Morgan

Editor, Recorder and Times, Brockville, Ont.

That capable organization, the Wartime Prices and Trade Board, has already demonstrated its capacity to make a satisfactory distribution of various commodities in short supply. It could be safely entrusted with similar responsibilities in regard to fuel, either through existing personnel or through fuel specialists attached to its several regional offices.

• • •

W. Stables

Mayor, Iroquois Falls, Ont.

Too much stress has been made of consideration for dealers. In my opinion, dealers should be disregarded and fuel should be distributed through a municipal controller from a municipal controlled supply. This may seem drastic treatment for dealers but I believe their manoeuvring for business and control of supply has much to do with improper distribution. Municipal control of supply and distribution would be impartial. I suggest municipal-provincial control under the direction of a Dominion controller who would be responsible to municipalities.

• • •

O. H. Smith

Mayor, Midland, Ont.

There should be a definite allocation of manpower for harvesting supplies of domestic fuel, not later than Sept. 1. Relax, under special permit, limits on motor transportation. Arrange back loads on railways from East to West. Open crown wood reserves to municipalities without dues. Nonactive trainees should be employed at army pay for this work. Local distribution is no problem for municipalities. Pass an order-in-council permitting expropriation, under the Fuel Administrator, of private bush lots. I consider the present fuel situation the most serious domestic problem that ever existed in Canada. Permit no coal reserves to be held by dealers, except on orders for winter delivery.

• • •

C. Stubbs

Secretary and Commissioner, The Western Canada Bituminous Coal Operators Association.

The allocation of coal should remain with the coal controller, but should completely cover distribution. Consideration should be given to possible ways asd means of increasing production by the fullest possible use of existing facilities and present working forces. Co-ordinated planning between various government authorities and mine operator for accelerated development has been too long delayed. The Government labor policy should be determined on specific principles and then enforced. Methods of collecting income tax from workmen should be adjusted to encourage rather than penalize working full time. Experienced workmen taken from industry to armed forces should be returned to former places of employment. Selective Service officers should include men familiar with requirements of this industry. Any available supply of workers should be distributed according to the highest per capita production possibilities. The views of proper representatives of the industry should be sought and acted upon in all matters affecting production and distribution.

BROKERAGE OFFICIAL

Lieut.-Col. L. D. M. Baxter, O.B.E., V.D., becomes vice-president of Osler, Hammond & Nanton, Winnipeg. Director of several oil and mining companies, Col. Baxter has recently joined the board of Wartime Oils.

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THE WORLD'S LARGEST SELLING CLUB SODA

Canadian Converters Co.'s shipments in May and June, first two months of the current fiscal year, have been maintained at about the same level as the like period of last year, according to the statement made at the annual meeting of shareholders. It was not expected, however, as pointed out in the annual report, that the volume would be maintained for the balance of the year as it is increasingly difficult to secure materials and sufficient operatives.

Financing is Proposed For Manitoba Municip.

Temporary Plans Advanced for St. James, St. Vital, West Kildonan and Transcona, All Winnipeg Suburbs

Plans have been drawn up and submitted to bondholders by the Manitoba Municipal and Public Utility Board, providing for payments of interest and principal on the debt of the four defaulting Manitoba municipalities of St. James, St. Vital, West Kildonan and Transcona.

The main feature of the plans, which are to run for five years, is that there is provision for interest payments of a fixed percentage of the face value of the bonds. Under the new plans annual payments of a specified amount are to be paid into debenture trust accounts, to be applied to payment of interest and principal. Additional information is given in the accompanying table.

These are the second temporary plans to be set up for these municipalities. The first provided for the years 1937 to 1941 and required the payment of interest to the amount of two-thirds of the current surplus of each municipality. The rate of interest paid, therefore, varied from year to year. The remaining one third of surplus available was applied to retirement of the debentures. Interest paid for 1940 and 1941 is shown below.

In all cases interest will be paid over the five years on coupons Nos. 33-42 inclusive, of the various issues. Payments of interest will be made annually on Dec. 31, 1942-46. Approval of 51% of the bondholders is required before these proposed plans may be put into effect. Accompanying the plans are statements by the Winnipeg Suburban Municipal Bondholders' Committee recommending adoption of the plans. Consent should be filed with the board in writing.

	St. James	St. Vital	West Kildonan	Transcona
Debentures o/s (000)	$2,755	$1,100	$956	$941
Original interest rate	5½%	5½%	5½%	4%
Adjusted rate	2%	3%	2%	1½%
Annual payments required	$80,000	$60,000	$30,000	$20,000
Interest paid (1940)	1.81%	3.30%	2.64%	1.12%
Interest paid (1941)	2.00%	2.58%	2.75%	1.50%

Manitoba Accountants Elect New Officers

The Institute of Chartered Accountants of Manitoba, at its recent 57th annual meeting in Winnipeg, elected the following officers and council members. The officers serve for the year ended May next while the council members are elected for a two-year term ending May, 1945.

E. J. WILLIAMS, president.
R. T. CUNNINGHAM, vice-president.
R. A. ROBERTS, secretary-treasurer.
FREDERICK JOHNSON, CARLETON LYNDE, WALTER J. MACDONALD, F. J. TIBBS, R. T. CUNNINGHAM, E. J. WILLIAMS, R. A. ROBERTS, council members.

Chain Stores Lose Ground

In the retail food field chain store sales for May, 1943, were 8% lower than in May, 1942, while the average sales per store dropped 5%. Sales of independent food stores, on the contrary, showed increases in every section of the country, with an overall increase of 11.2%, the monthly bulletin on food distribution published by the Dominion Bureau of Statistics shows.

Discrepancy in the total and average percentage decreases for chain stores is due to a decline in the number of stores reporting. The major declines in the chain store field were in Ontario and Quebec, while the Prairie Provinces and British Columbia showed only small reductions. Greatest regional increases in independent store sales were in British Columbia and Alberta, though substantial increases were shown in all parts.

Wholesalers' Inventories Down

Sales by wholesale food houses for May showed a little change over 1942 but wholesale inventories at the beginning of May stood at 11% of May sales, compared with a normal inventory for that date of 25% of May sales.

Decreases in wholesale sales in the Prairie Provinces and British Columbia were offset in the rest of Canada. Total sales for the first five months of 1943 stand 3% higher than for the corresponding period of 1942. These figures apply only to the wholesale grocery trade.

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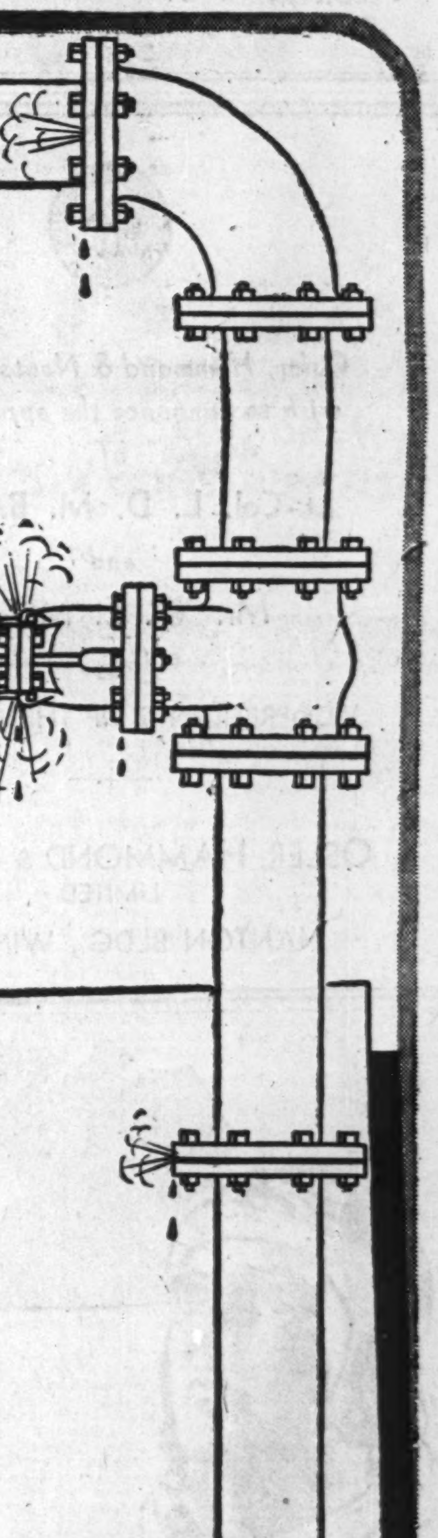
THE FUEL CONTROLLER has called for the active cooperation of industry in helping to relieve the fuel shortage. All industrial plants have a major part to play in this program :::
INDUSTRY MUST CONSERVE Fuel
For an approximation, you can consider that one pound of steam lost represents one-tenth of a pound of fuel. Even a small leak, equal to the area of a 1/16" diameter hole, can lose 233 pounds of steam in 24 hours at a pressure as low as 50 pounds. This would mean 23 pounds of fuel wasted every day.
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Have your plant thoroughly checked for all these and innumerable other causes of fuel waste. Have all necessary adjustments and repairs made NOW.
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Toward Economic Stabilization

Plans of Three Countries Seen Near Agreement

Three countries, Canada, Great Britain and the United States, have now offered plans for financial and economic stabilization after the war. In no case have the plans received any official government backing, although prepared by high officials in each country. Here The Financial Post brings together salient features of each plan, indicating where they resemble each other and where they differ.

Purposes

A. CANADA

1. To provide for stability of exchange rates and to provide an orderly method for their determination.

2. To provide a convenient clearing mechanism to settle balances in international payments.

3. To provide to all countries access to foreign exchange resources in order to reduce the danger that economic and commercial policies in the period immediately after the war will be largely determined by a shortage of foreign exchange and to enable countries thereafter to be guided in their economic and commercial policies by long-run considerations when faced with a temporary reduction of foreign markets.

4. To aid in the achievement of international equilibrium by measures designed to prevent excessive short-term borrowing through the clearing Union or the excessive accumulation of uninvested foreign surpluses.

5. To contribute to the re-establishment and development of a multilateral trading system and to the elimination of discriminatory trading and currency practices.

B. GREAT BRITAIN

1. To promote a steady expansion in the flow of international trade and an improvement in the standard of life of the participating countries.

2. To provide a generally acceptable means of payment between nations.

3. To insure that any alterations which take place in the exchange values of national currencies are made as the result of an orderly international procedure and not by unilateral action.

4. To relieve from excessive strain any nation which is suffering from temporary difficulty in meeting its obligations to make payments abroad, while at the same time subjecting it to a gradual pressure toward restoring a position of balance.

C. UNITED STATES

1. To stabilize the foreign exchange rates of the currencies of the United Nations and nations associated with them.

2. To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.

3. To help create conditions under which the smooth flow of foreign trade and of productive capital among the member countries will be fostered.

4. To facilitate the effective utilization of the abnormal foreign balances accumulating in some countries as a consequence of the war situation.

5. To reduce the use of foreign exchange controls that interferes with world trade and the international flow of productive capital.

6. To help eliminate bilateral exchange clearing arrangements, multiple currency devices, and discriminatory foreign exchange practices.

* * *

The three plans are in almost complete harmony as to the ends to be achieved. Differences are largely a matter of emphasis and phrasing. In addition to providing a workable "international currency," the plans favor multilateral agreements including a large number of nations and oppose bilateral (two nation) and unilateral (single nation) exchange policies.

Point 4 of the British proposal is the only outspoken reference to the fact that if currencies are to be kept in line it will occasionally require adjustment of internal industrial and commercial structures. This, it is pointed out, may require "gradual pressure" from the international exchange clearing union. This point is, however, dealt with later in the other proposals.

* * *

International Fund

A. CANADA

Canadian proposal would provide the Union with initial resources of $12,000 millions. Two thirds of this sum, $8,000 millions, would be paid on formation of the Union, 15% in gold, the balance in each country's national currency. After the $8,000 millions had been paid in, the Union could call upon each country to advance up to 50% of its original quota in the event that the Union's supply of that country's currency should become diminished. National quotas to be established in proportion to the country's international trade position, national income, gold and foreign exchange holdings. Quotas can be changed by the Union, with consent of the member whose quota is being changed.

B. GREAT BRITAIN

British proposal does not demand any down payment by member states, simply an agreement to accept credits or debits in "bancor" on the books of the clearing Union in accordance with the results of their international trade. Quotas would be established on the basis of each country's imports plus exports in the three years preceding the war; could be revised periodically. Only if borrowing or lending quotas were exceeded would the board acquire gold or other assets from the affected states. It is estimated that the British plan would involve total quotas of around $25,000 millions.

C. UNITED STATES

Member states would have quotas set in relationship to gold and foreign exchange, the magnitude of the fluctuations in its balance of international payments and its national income. Total of quotas would be "at least $5,000 millions," 50% of which must be paid initially, one fourth in gold, one fourth in domestic currency, the balance in its own bonds. The proportion payable in gold is reduced for countries with limited gold reserves. Member countries may be called upon pro rata to pay up the remaining 50% of their quotas as the board determines, providing that the proportion of gold in later payments is the same as in the initial payment. Quotas can only be changed after a four fifths approving vote by member states.

* * *

The British plan reflects the prevalence of "overdraft" financing in the British banking system, the Canadian and U. S. the North American practice of issuing loans more formally. The North American plans' preference for starting the Union with large deposits versus the British "no down payment" plan has given rise to considerable debate, but the point may well be less significant, except psychologically, than at first appears. The U. S. plan would provide more funds for the Union when needed on a pro rata basis, all members contributing; the Canadian plan would call only on that country whose currency is in short supply owing to an excessively high export surplus (i.e., it would tend to force such a country to make loans equal to its international lending power); while the Keynes plan would tend to solve the problem automatically, since the country with the excessive export surplus would simultaneously have the largest bancor credit, and this the Union would distribute to nations in need of it, subject to the restrictions laid down elsewhere in the Keynes plan. Note also the more flexible method of altering quotas, and the larger degree of authority left to the Union officials by the British and Canadian plans.

* * *

Exchange Rates

A. CANADA

Initial exchange rates are to be fixed by agreement between member states and the Union, any subsequent change requiring the consent of the country concerned. Members undertake not to vary the initial rates without the consent of the Union, but countries which go beyond half their quota on an average for a year would have the right to depreciate their currencies 5%, possibly 10% under certain circumstances. The international monetary unit would contain 137 1/7 grains of fine gold, not to be changed except on a four fifths vote of members.

B. GREAT BRITAIN

Original rates, to be fixed by agreement between members, may not subsequently be altered without permission of the governing board, but a state would be asked to depreciate its currency if its debit balances became excessive, appreciate it if credit balances became too great. There is also a "permissive" depreciation of 5% as in the Canadian plan. International unit of currency would be the "bancor" fixed, but "not unalterably," in terms of gold. Member states would not be allowed to buy or sell gold at rates in excess of the bancor-gold parity of their currencies. During the first five years of the plan the board of governors shall give special consideration and review to the need for altering initial exchange rates.

C. UNITED STATES

Original exchange rates are to be fixed by the fund and changes will be permitted only following a four fifths approving vote of members. Monetary unit of the fund, the "Unitas," is to be fixed at 137 1/7 grains of fine gold, equivalent to $10 with gold at $35 per ounce.

* * *

Both the Canadian and British plans allow considerably more latitude to the management of the Union in altering the exchange rates of individual members, and also permit the members some latitude in determining their own rates. The Canadian plan and the U. S. plan demand the same gold content for the international monetary unit, but the Canadian plan would permit changes in this content, as would the British. The U. S. plan provides a more rigid adherence to fixed exchange rate than either of the other proposals.

* * *

Voting Power

A. CANADA

Each member shall have 100 votes, plus one vote for each 100,000 Units of its quota. As balances with the fund increase, the members affected will gain one vote for each 100,000 Units of the increase. Deficit members will lose one vote for each 100,000 Units they borrow. A request by members holding one fourth of the votes will require the board of governors to call a general meeting. An annual general meeting will be held in any event, and the governors can call a meeting when they see fit. Member nations to appoint one representative apiece and a deputy to the governing board, who in turn will elect a governor to serve for five years. Members' representatives are to serve for three years.

B. GREAT BRITAIN

Management of the Union to be in the hands of 12 or 15 directors, each representing either one country or a group of countries so that each will be backed by a roughly equal number of votes. Voting power of each director shall be increased if the credit balance of the countries he represents increases, decreased if they show debit balances. Member states not individually represented on the board shall appoint a delegate to act as liaison with the board.

C. UNITED STATES

Provisions for voting and representation on the board of directors is the same as in the Canadian plan, with the exception that it is specifically stated that the directors shall have voting power in accordance with their country's quota, and that no country, regardless of quota, shall have more than one fourth of the voting power.

* * *

Efficacy of the three voting systems would depend largely on the method of arriving at quotas. The Keynes plan would favor the countries whose international trade is high (Canada, Britain, Czechoslovakia are typical) would reduce the representation of big continental powers whose foreign trade is slight in relation to national wealth and power (U.S.A., U.S.S.R., France.) Granted an equitable quota arrangement, the three plans would provide equally fair methods of representation, with the smaller British governing board possibly proving more efficient in operation.

* * *

Obtaining Foreign Exchange

A. CANADA

Each member country can purchase foreign exchange to the extent of twice its quota, at the rate of 50% a year, subject to the following conditions:

(a) A country which holds independent gold and free foreign exchange reserves in amounts exceeding its quota shall not have the right to be a net purchaser of foreign exchange from the Union. This provision is designed to ensurae that the resources of the institution are used primarily by those countries which have the greatest need of them.

(b) Within the limits indicated above currencies of member countries are to be freely inter-convertible for the purpose of settling current account transactions but a country which has a deficit in its current account balance of payments and is in consequence a net purchaser of foreign exchange from the Union may not use the resources of the Union, without special permission, to finance exports of capital. The Union may require a country which has used up 25% of its quota to control capital assets as a condition of making further purchases of foreign exchange from it. The purpose of this provision is to ensure that the resources of the Union are used to finance international trade and other current transactions and not to enable disturbing capital flights to take place from one country to another.

(c) When a country has used up to 50% of its quota for the purchase of foreign exchange from the Union, the latter may, as a condition of making further sales of foreign exchange, request that country to sell it appropriate amounts of its independent reserves of gold and free foreign exchange.

(d) The Union has the right at any time to impose conditions on further sales of foreign exchange to countries which are making improvident use of their quotas.

B. GREAT BRITAIN

Member countries may obtain exchange through the facilities provided by the Clearing Union to the extent of their quotas, subject to the following conditions:

(a) A country may not, without special approval, use more than 25% of its quota within a year.

(b) A country which uses up 50% of its quota may be required to deposit collateral in the form of gold, national currency or government securities.

(c) As a condition of being allowed to use up more than 50% of its quota, a country may be required to depreciate its exchange rate, impose a control over capital exports or surrender a suitable proportion of its gold and foreign exchange reserves.

(d) A country which has used up more than 75% of its quota in two years may be requested to take steps to improve its position and if it fails to do so it may be declared in default of its obligations.

C. UNITED STATES

Under the American plan, as published, the ability of member countries to purchase foreign exchange from the Fund is apparently limited to 125% of the quota, of which 25% may be used in the first year and 75% in the first two years. Additional sales of foreign exchange beyond these limits require the approval of four fifths of member votes. The plan provides for a special reserve to be deposited by member countries with the Fund when the latter's holdings of that national currency or securities exceed the quota, and the Fund is given power to impose conditions on further sales of foreign exchange to a country which is exhausting its quota more rapidly than is warranted.

* * *

Position of Creditor Countries

CANADA, BRITAIN, U. S.

The British plan provides that the Clearing Union may make recommendations designed to restore equilibrium in the international balances of a persistent creditor but leaves the ultimate decision in the hands of the country concerned.

The American plan provides that when any particular currency becomes scarce (in the sense that the Fund's operations have resulted in net sales of that currency to the extent of 85% of the quota) a report must be rendered with recommendations designed to restore equilibrium. If the drain of that currency persists and the Fund's holdings are threatened with exhaustion, the Fund must apportion its remaining supplies among member countries by some equitable method of distribution.

The Canadian proposals for dealing with scarce currencies begin at the somewhat earlier stage and carry on somewhat further than the American proposals. When the Union's operations have resulted in net sales of a particular currency to the extent of 75% of that country's quota, the Union is to attempt to increase its supply of that currency, arranging, if possible, with the country concerned and in co-operation with such international investment agency as may be established, for a program of foreign capital investment. When the 85% level has been reached (or earlier if deemed advisable) a report on the situation is to be rendered; and when it becomes obvious that the remaining supplies of the scarce currency may soon be exhausted, the Union is to proceed to ration them. At this point the Union has the duty to reconsider the exchange rate structure and there is a provision under which member countries may be permitted to restrict imports from the country whose currency has become scarce.

Withdrawal From the Union

CANADA, BRITAIN, U. S.

The Canadian plan provides that any country which has been a creditor in the Union may withdraw by giving 30 days' notice; deficit countries must give one year's notice. In the British plan, one year's notice of withdrawal is required and in the American plan two years' notice. The short withdrawal provision for creditor countries in the Canadian plan would appear to be suggested as a substitute for the veto power which creditor nations possess through the four fifths voting provisions of the American plan.

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and

Mr. W. E. MEIKLE

as

VICE-PRESIDENTS OF THE COMPANY

OSLER, HAMMOND & NANTON LIMITED

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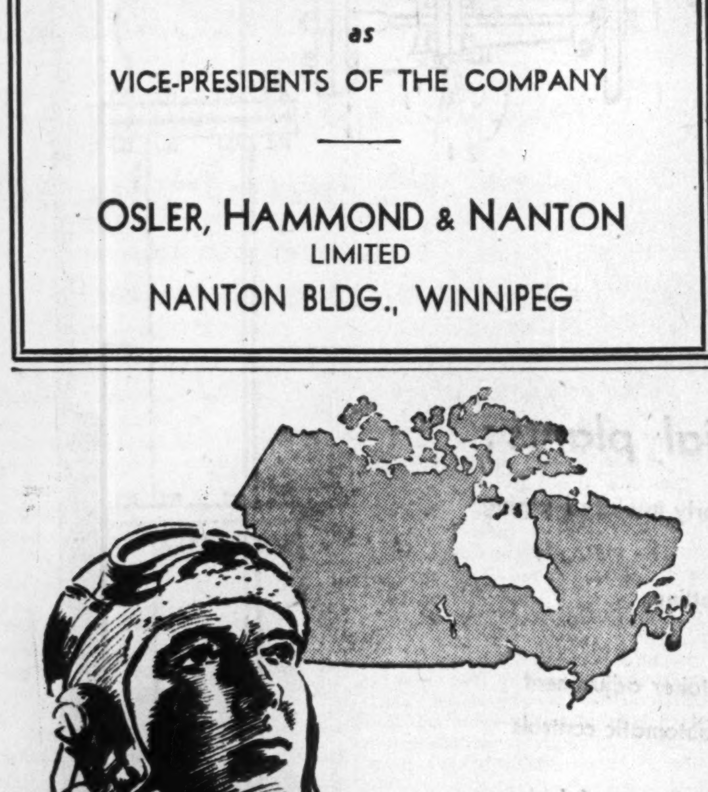

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—are distributed amongst 200 different securities.

—are located to the extent of 94% in Canada and United States.

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A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, will be promptly furnished upon request.

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We have prepared a detailed analysis of Abitibi Power & Paper Company, Ltd., incorporating the latest information and developments.

On the basis of this study the securities of this company appear to have attractive speculative possibilities.

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See Abitibi Plan Coming

Privy Council Decision Thought Opportunity

With the Privy Council setting aside Justice Middleton's Feb. 18, 1942, order that Abitibi Power & Paper Co. assets be sold to satisfy creditors' claims, a major obstacle in the way of an early reorganization of the company appears to have been removed. There are already signs that reorganization proposals will be forthcoming shortly, The Financial Post is told by those close to the situation.

At least one plan of reorganization—by people not at present extensively interested in the company—has been formulated but this plan is being withheld for the moment to see what other plans may offer. Of the Abitibi situation and this particular plan a spokesman for the group declares:

"The earnings position of Abitibi should make reorganization of the company quite simple. We believe our plan, when presented, will be an equitable one for all parties concerned."

Preferred Shareholders Meet

A meeting of large holders of preferred stock was held following the Privy Council judgment and a reorganization from this group is a possibility, The Financial Post is told. Preferred shares have had a marked rise on Canadian securities exchanges since the Privy Council lifted the sale of assets edict, and the bargaining power of preferred shareholders has been strengthened by the Privy Council action.

No meeting of the Bondholders' Protective Committee has been held since the Privy Council decision, The Post is informed by a committee member.

Besides dismissing the order for sale of Justice Middleton, the Privy Council in its July 8 judgment ruled that the Abitibi Power & Paper Co. Moratorium Act, passed by the Ontario Legislature in 1941, was valid and set aside the Ontario Appeal Court Judgment that the Act was ultra vires the Legislature. The Abitibi Moratorium Act has been extended by the Ontario Government to June 30, 1944, so that no sale of assets need be contemplated for nearly a year's time—if a reorganization or an extension of the moratorium does not ensue before the present deadline.

Rejected Plaintiff's Plea

In setting aside the sale order and upholding the moratorium act of the Ontario Legislature, the Privy Council rejected the argument of the plaintiff (the Montreal Trust Co.) that the winding up of the company's affairs was a matter for Federal laws and therefore could not be stayed by Ontario legislation. The winding-up action, said the judgment, was originally a mortgagee's action brought in the Ontario Courts. It was therefore subject to Ontario laws. These could be altered by the Provincial Legislature at any time. The opinion of Mr. Justice Middleton that the action for the sale should proceed in accordance with the rules and practices existing at the date of the original application by the Montreal Trust Co. was overruled.

Explaining why they did not agree with the Ontario court decision, their Lordships stated that when the company was ordered wound up under the Winding Up Act—a Federal measure—the bondholders might have claimed in the wind-up as secured creditors, thereby being forced to put a specified value on their security, but the bondholders had made no claim for winding up. "Their security," read the judgment, "is now insufficient to meet the mortgage debt, and they deliberately remained outside and continued to exercise what may be called their provincial rights against the provincial property."

The judgment traced the development of Abitibi from its incorporation in 1914 through the subsequent growth of its capital structure, and stressed how dependent Abitibi was on provincial Crown lands and rights for its pulpwood and power.

Regarding the plaintiff's argument that the Moratorium Act was an attempt to coerce the bondholders into accepting a plan of reconstruction, their Lordships said: "We see no reason to reject the statement of the Ontario Legislature that power to stay the action was given in order that opportunity may be given to all parties concerned to consider the plan submitted in the report of the Royal Commission."

The Montreal Trust Co., plaintiff in the case, was ordered to pay the costs incurred by Abitibi, not only in this Privy Council appeal, but also during previous litigation before Ontario Courts.

IHES Position Still Obscure

From Our Own Correspondent

MONTREAL.—International Hydro-Electric System has enough cash on hand, together with current income, to maintain interest payments on the 6% debentures throughout 1943, but there are no indications as yet what steps the company will take to meet maturity of the debentures on April 1, 1944.

Nearly three years ago the Securities and Exchange Commission ruled against the System and in July, 1942, issued an order asking the company to submit to the Commission a plan of liquidation and dissolution.

Last March the Commission issued an order requiring the elimination of certain of the system's subsidiaries, principally Massachusetts Power and Light Associates, North Boston Lighting Properties, etc.

During the same month International Hydro-Electric System, Hudson River Power Corp. and System Properties Inc. filed an application relating to the merger of Hudson River Power and System Properties and the refunding of the publicly held funded debt of Hudson River Power and System Properties. This application was denied, but efforts are being made to work out an acceptable plan.

The ultimate effect of these proceedings upon the financial position and earnings of International Hydro-Electric System and its subsidiaries, says Irwin L. Moore, president, is not yet ascertainable. Any plan of compliance with the orders issued must have the approval of the SEC and state commissions. These commissions, says Mr. Moore, may order reductions in the amounts at which assets are recorded or other material adjustments affecting the accounts of the companies involved.

Pays Tribute To Sir Harry

Sir Frederick Williams-Taylor, Bank of Montreal director and long time friend and neighbor of the late Sir Harry Oakes, sends the following tribute to The Financial Post.

Sir Harry Oakes' death is an incalculable loss to Nassau. He was its greatest benefactor. He spent hundreds of thousands of pounds in improvements. Among other benefits he bought and rehabilitated the famous British Colonial Hotel. He gave employment to hundreds of natives for years. He created a golf course and club house of surpassing quality. He built many miles of highway and improved many hundreds of acres of vacant lands. He established a bus service.

In point of public service and private enterprise there has been no one like him. In business rectitude and in private life Nassau had no more exemplary citizen.

It would be hard to find a more vital, strenuous person than Sir Harry. He rode a horse and drove powerful tractors through the jungle and up and down pathless hills with the zest of youth. He was a keen sportsman and loved life. His tragic death will be deplored by everyone in the Bahamas.

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Quebec Removes Transfer Tax

From Our Own Correspondent

MONTREAL.—By an Order-in-Council Quebec has eliminated the registration or transfer fee on bonds. This brings the province into step with other sections of the Dominion.

For nearly 22 years Quebec province has been collecting a fee of 50 cents on each registration or transfer of bonds. The amount of revenue has been small and it was decided to remove the tax which was regarded as a nuisance.

CANADIAN PACIFIC RAILWAY COMPANY

To the Holders of Twenty Year 4½% Collateral Trust Gold Bonds due September 1, 1946, of Canadian Pacific Railway Company.

NOTICE OF INTENTION TO REDEEM

NOTICE IS HEREBY GIVEN that Canadian Pacific Railway Company intends to redeem on September 1, 1943, all of the outstanding Bonds of the issue of Twenty Year 4½% Collateral Trust Gold Bonds issued under and secured by a Trust Agreement dated September 1, 1926, between the Company and The National City Bank of New York as Trustee, and maturing September 1, 1946, at the redemption price of one hundred and one-half Per Cent. (100.50%) of the principal amount thereof.

Holders of the Bonds are required to surrender them for redemption at the redemption price above mentioned on September 1, 1943, either at the Agency of the Bank of Montreal, 64 Wall Street, in the Borough of Manhattan, City and State of New York, or at the Office of the Bank of Montreal, either in the City of Montreal, Province of Quebec, or in the City of Toronto, Province of Ontario, at the holder's option.

Interest on the said Bonds shall cease on the specified redemption date, viz.: September 1, 1943.

Coupon Bonds surrendered for redemption must have attached thereto all interest coupons maturing subsequently to September 1, 1943. Fully Registered Bonds or Coupon Bonds which are registered as to principal must be accompanied by duly executed assignments or transfer powers. Coupons due September 1, 1943, should be presented for collection through the usual channels.

DATED at Montreal this 30th day of June, 1943.

CANADIAN PACIFIC RAILWAY COMPANY,
By: F. BRAMLEY,
Secretary.

Notice of Redemption

CITY OF ST. JOHN'S, NEWFOUNDLAND

6% 15-Year Sinking Fund Bonds Maturing February 1, 1947

Notice is hereby given that pursuant to the terms of the Act 22 Geo. V (1932) Chapter Five and of the Prospectus of Issue of the Bonds the Montreal Trust Company, Trustee of the Sinking Fund, has drawn for redemption the bonds hereunder listed, to the capital par value of $20,000, and that the said listed bonds will be redeemed on the First day of August, 1943, at par, with accrued interest on the principal thereof to the First day of August, 1943, at any of the principal offices of The Royal Bank of Canada in the cities of St. John's (Newfoundland), Montreal or Toronto (Canada), upon surrender of the said bonds with coupons due on the First day of August, 1943, and with all subsequent coupons appertaining thereto, at any of the said offices on said date.

Holders of bonds are required to present their bonds and coupons as aforesaid for redemption at one of the said offices on the said date; and in case such presentation be not made on the said date all interest on such bonds shall cease from and after the said first day of August, 1943.

Numbers and Denominations of Bonds to be Redeemed:

SERIES A—$1,000 Denomination
004, 012, 035, 057, 063, 081, 086, 133, 158, 166, 173, 216, 234, 250, 285, 286.

SERIES B—$500 Denomination
022, 069, 217.

SERIES C—$100 Denomination
006, 011, 017, 018, 028, 086, 090, 144, 206, 219, 222, 251, 291, 303, 336, 356, 481, 496, 522, 523, 588, 634, 656, 692, 697.

Dated the 29th day of June, 1943.

MONTREAL TRUST COMPANY,
Trustee.

Company Reports

Loblaw Groceterias

Net profits of Loblaw Groceterias Co. for the year ended May 29, 1943, showed a decline to $1,032,364 from the previous year's figure of $1,264,300. This represents a reduction in earnings per share on class A and B stock from $1.53 to $1.25. Dividends of $1 a share, plus 25 cents bonus, were again paid, leaving a small deficit for the year of $3,081. Working capital increased slightly to $3.7 millions.

In his report to shareholders the president of the company, J. Milton Cork, pointed out that shortages of commodities, strict governmental control of food distribution, and the use of much untrained labor had increased costs and lowered sales volume.

Income, Surplus—Years Ended

	May 29, 1943	May 31, 1942
Gross sales	$39,438,976	$42,986,824
Net oper. profit	1,696,132	2,057,689
Add: Inc. on invest.	21,232	36,611
Net earnings	1,717,364	2,094,300
Less: Inc. & E.P.T.	685,000	830,000
Net profit	1,032,364	1,264,300
Less: Dividends	1,035,445	1,035,445
Surplus for year	*3,081	228,855
Add: Prev. surplus	4,267,716	4,188,775
Bond sale	4,378	6,547
Inc. tax adj.	......	43,539
Less: Addit. conting. res.	......	200,000
Balance forward	4,269,013	4,267,716
*Deficit.		
Earnings per share:		
Classes A & B	$1.246	$1.53
Paid	1.25	1.25
Working capital	$3,708,840	$3,487,560

Niagara Wire Weaving

A large drop in net profits to $152,924 from previous year's figure of $258,961 was shown by Niagara Wire Weaving for the year ended March 31, 1943, representing a reduction in earnings per share from $2.25 to $1.33.

The company's principal product is wire mesh for paper-making machines and restrictions in the paper industry account for the decline in the business of the company. Paper mill operating during the coming year will be currently determined by the available supply of power and raw materials, the president states in his annual report. Working capital at March 31 was up some $50,000 over the previous year.

Income, Surplus—Years Ended Mar. 31

	1943	1942
Net profit	$152,924	$258,961
Less: Common divds.	143,750	230,000
Surplus for year	9,174	28,961
Add: Prev. surplus	498,120	469,159
Earned surplus forw'd	507,294	498,120
Earned per share:		
Common	$1.33	$2.25
Paid	1.25	2.00
Working capital	$616,231	$565,991

Standard Radio

Net profits of Standard Radio for the year ending March 31, 1943, showed a decline, amounting to $88,995 compared with $105,826 for the previous year.

Operations of Rogers Radio Broadcasting, the wholly-owned subsidiary of the company from which all its revenues are derived, have not been published, and there is no comment on the operations of this broadcasting subsidiary.

Income, Surplus—Years ended March 31

	1943	1942
Divids. rec'd.	$84,903	$105,279
Bond int. rec'd.	10,700	10,525
Total earnings	95,603	115,804
Less: Expenses	3,758	9,288
Income & E. P. T.	2,850	690
Net profit	88,995	105,326
Less: Dividends	86,000	86,000
Surplus for year	2,995	19,826
Add: Prev. surplus	65,007	45,181
Balance forward	68,002	65,007
Earnings per share:		
Classes A & B	$0.41	$0.50
Paid	0.40	0.40
Working capital	$67,334	$63,474

Algoma Central

Gross railway and steamship receipts of The Algoma Central & Hudson Bay Railway showed an increase in 1942 of 13.1% over 1941 operations, these receipts totalling $4.2 million for 1942. Net profit for the year after all charges was $119,540 compared with $42,241 in 1941, thus reducing the total deficit by this amount.

Total capital expenditures for the year on railway property amounted to $270,187. The increase in gross revenues is accounted for largely by increased shipments of coal, ore, pulpwood, and steel products. Labor shortage continues to be a difficult problem and is reflected in increased costs of operation.

During the year application was made by Southern Algoma Railway, a wholly-owned subsidiary of Algoma Steel for a connecting track between Algoma Steel and the Canadian Pacific Railway. This railway would give service which Algoma Central now supplies and the latter company is contesting the granting of the application.

Income, Surplus—Years Ended Dec. 31

	1942	1941
Gross receipts	$4,217,470	$3,729,159
Less: Working exp.	3,203,834	2,842,232
Gen. management	134,186	118,494
Taxes	25,237	25,372
Operating profit	854,213	743,061
Add: Rent, leased lands	19,599	21,835
Int. on invest., dep.	17,298	24,895
Profit on exchange	26,231	22,893
Less: Inc. & E. P. T.	90,000	35,000
Net earnings	827,841	777,684
Less: A. C. Term. rent	192,376	220,018
Int. on bonds	515,425	515,425
Net profit	119,540	42,241
Less: Prev. deficit	5,842,843	6,179,681
Add: Adj. renewal res.	......	294,597
Deficit forward	5,723,303	5,842,843
Working capital*	5,631,521	5,760,825

*Excess of current liabilities over current assets.

Aird Explains Offer to Acme

Eastern Dairies Head Urges Acceptance of Reorganization Plan

From Our Own Correspondent

MONTREAL.—Urging acceptance of the reorganization plan, W. R. Aird, president of Eastern Dairies Ltd., has circularized shareholders answering the objection raised that too favorable treatment was being accorded to the Acme preferred shareholders.

In his letter Mr. Aird pointed out the three main factors which must be considered:

"1. Eastern's assets consist almost wholly of its investment in subsidiary companies and it, therefore, is entirely dependent upon its income from the subsidiary companies.

"2. Acme preferred shares are in reality a prior ranking security to the bonds and preference and common shares of Eastern with respect to assets and earnings of Acme, except to the extent of the claim represented by the $700,000 principal amount of debenture notes of Acme owned by Eastern. As there are over $500,000 arrears of dividends on the Acme preferred shares, of which Eastern itself owns a relatively small amount, it is obvious that it would be many years before any of the earnings could be paid to Eastern as dividends on its holdings of Acme common shares.

"3. Eastern's bonds are in default in respect to sinking funds. All securities of subsidiary companies owned by Eastern are pledged as security for such bonds. Aside altogether from the possible consequences of such default, it must be noted that any income from such pledged securities is paid to the bondholders trustee so long as the default exists."

Mr. Aird goes on to mention that if the plan becomes effective, the default with respect to the bonds will be eliminated, the arrears of dividends on the Acme preferred will be extinguished and assets and earnings of Acme will form part of the undertaking of the new company.

"It should be remembered that the assets and earnings of Acme are in excess of the combined assets and earnings of the two wholly-owned subsidiaries, Elmhurst and Producers.

"Upon consummation of the plan, the preference shareholders of Eastern will, in addition to the new preferred shares, receive a little over 75% of the issued common stock of the new company—that is to say, 75% of the equity in the assets and undertakings of the new company."

The Constructive Platform of the

PROGRESSIVE CONSERVATIVE PARTY

IN THE PROVINCE OF ONTARIO

Approved in General Meeting at Toronto, July 3, 1943

THE programme of the Progressive Conservative Party as enunciated by its Leader, George Drew, is a highly constructive document. The naturally rich Province of Ontario can maintain its people in economic security once its affairs are conducted by a strong government in Queen's Park. To begin with our material and spiritual welfare will be best conserved and advanced in close collaboration with the rest of the British Commonwealth and Empire. British institutions make for stability, continuity and permanence. The second stipulation for economic progress is a policy of self-respecting co-operation by Ontario with the other provinces and the Dominion Government in war and in peace.

Having set down these fundamental principles, the Drew platform pledges an incoming Progressive Conservative government to put through far reaching enactments for the benefit of all classes and the province as a whole. Committees of outstanding farmers will organize each county for food production, processing and distribution. Incidentally the livestock yards will be taken over by the government and operated as a publicly owned enterprise so that speculation and manipulation may be eliminated in the interests of producers and consumers alike. A Committee representative of labour, employers, and the public will study the most advanced labour relations legislation of other countries. This body will be known as the Ontario Labour Relations Committee and its findings will be used as the basis of legislation designed to establish fair conditions of industrial peace throughout the province. Every practical measure will be adopted to encourage geologists and prospectors to discover new mineral deposits and taxation will be so adjusted as to stimulate this vital industry into its former activity.

An Ontario Forest Resources Commission will review the backward forestry record of the province and launch long term policies of conservation, reforestation, and soil control. Means will be taken of cancelling improvident concessions over valuable tracts of timber. An Ontario Housing Commission will tackle the problem of improving housing conditions through the province and of thus creating employment after the war. To promote these ends the whole system of real estate taxation will be revised. For one thing the provincial government will relieve home owners of 50% of the cost of education. The Hydro Electric Power Commission will be removed from political control and agriculture will be stimulated by far-reaching concessions in Hydro rates.

Unnecessary provincial duplication of Federal government services will be eliminated and civil servants will be protected from political dismissal or interference, thus enhancing the efficiency of the average civil servant. Old age pensions and mothers' allowances will be increased in keeping with the higher cost of living. Steps will be taken to assure adequate supplies of fuel, milk and other basic necessities at prices which will be fair to producers and consumers. Men and women in the armed forces will be protected against unnecessary business embarrassments and sacrifices during their absence. Finally plans will be immediately brought under way for great public undertakings to provide employment for soldiers and war workers during the period of readjustment which will follow the signing of peace. In proclaiming this Progressive Conservative Programme Mr. Drew in his radio address said:—

Twenty-two Point Programme

IN the statement of policy made by the leader, Mr. George Drew, the Progressive Conservative Party of Ontario proclaims its faith in the future. The Party's firm belief is that the natural wealth and productive capacity of the province are such as will provide steady employment at good wages for all industrious citizens together with economic and social security from the cradle to the grave. All that is required to make that vision come true is a strong, forthright Government in Queen's Park. The Party therefore pledges itself:—

1 To do all in its power to maintain British institutions and strengthen the British partnership as the best guarantee of Canada's spiritual and material welfare.

2 To co-operate fully with other Provincial Governments and the Federal Administration in fighting the war to a successful finish, and establishing social security for all citizens — without sacrificing Provincial control of Provincial affairs.

3 To encourage private initiative in every field of employment, to support farmers, factories, mineral and forest development and other activities by helpful legislation, tax reduction, and the removal of bureaucratic restrictions.

4 To set up committees of outstanding farmers in each county with authority to plan joint production and promote the processing and distribution of farm products. To take over all stockyards and operate them as public-owned agencies, thus cutting out speculation and manipulation, which have proven injurious alike to producers and to consumers.

5 To give workers and employers the fairest and most advanced labour laws. This is to be achieved by empowering an Ontario Labour Relations Committee to outline a plan based on study of labour laws of other countries—this with a view of adopting comprehensive and enforceable collective bargaining legislation.

6 To appoint as Minister of Mines a man who knows mining; to lighten the burden of taxation; to repeal nuisance laws which hamper the activities of prospectors and geologists.

7 To appoint a Forest Resources Commission; to cancel improper timber contracts; and to push policies of conservation, reforestation and soil control extending to all parts of the province, and employing tens of thousands of men after the war.

8 To create an Ontario Housing Commission for the purpose of wiping out slums, improving home conditions in city, town and country and providing post-war employment on a large scale.

9 To encourage home ownership and home improvement by a sweeping revision of real estate taxation, commencing with the assumption by the government of fifty per cent of the present cost of education.

10 To give every child an education to the full extent of its mental capacity, together with vocational instruction for farm or city life.

11 To assure all children adequate medical and dental attention and health protection.

12 To prepare immediately province-wide plans for full post-war employment.

13 To free the Hydro Electric Power System from political control; give rural Ontario the benefit of an equitable readjustment of power rates; and to remove the service charges for farms.

14 To reclaim unused land throughout the province for the settlement of returned men and their families on a sound, economic basis under the guidance of Veterans' organizations.

15 To reduce taxes by stopping Provincial Government services which duplicate Federal services except where esential to the maintenance of constitutional rights.

16 To drive politics out of the Civil Service so that civil servants need no longer fear for their jobs,—thus increasing governmental efficiency.

17 To give every citizen the right to defend his person and property before the courts.

18 To increase mothers' allowances and old age pensions and to relieve old people from the obligation of parting with their homes before they can become eligible for their small pensions.

19 To assure the public of adequate supplies of fuel, milk and other necessities.

20 To assure priority of employment to men and women who have served in the armed forces.

21 To assure full legal protection to those in the armed services and their dependents against mortgage foreclosures, insurance cancellation and other unjust financial embarrassments; creditors to be reasonably protected by the court.

22 A rehabilitation and social security committee will be appointed immediately with instructions to draft plans which will assure social security for all our people, and also provide for the rehabilitation and employment of the members of our armed forces and munition workers after the war.

WRITE FOR PAMPHLET

The above points are condensed for fast reading. For a full, printed statement of this 22 point programme, write:

The Progressive Conservative Party of Ontario.

**Ontario Headquarters,
85 Richmond Street West,
Toronto, Ontario.**

GEORGE DREW and CONSERVATISM

By STEPHEN LEACOCK

I should like to have the opportunity of expressing through the press my appreciation of the claims of George Drew to political leadership, and my sympathy with the ideas which he represents. I believe them to be the ideas on which, both in provincial and national affairs, the future of the Dominion rests. This is not said by way of militant politics, of taking part in an election campaign. I have had my share of the rough and tumble of election politics and have found it good fun, while it lasted, with many pleasant recollections left behind. But I have reached an age when people are warned to prefer the simple truth. I do not say this in disparagement of what we call politics. To pick sides is our only way we know of playing a game fairly and squarely. Many of our politicians of all parties give a long life service for a small reward.

George Drew in his family origin represents the British people who made and fashioned Upper Canada and started it on its way, some of them as incoming Loyalists and others as immigrant settlers of the days of the old Canada Company during the great peace. Some by descent, and all by nearness of neighborship, have remained in close touch and sympathy with the United States, a sympathy bound by a thousand threads of family relationships. We can safely leave our relations with the American republic in the hands of such men as George Drew when we remember that the people of his part of the Dominion are probably in closer touch and understanding with the Americans than any other British people in the world. I am certain that he could play base-ball with General Eisenhower and power with General MacArthur.

Our destiny has given to Canada a singular position in the councils and the concerts of the world. We have become a sort of middle term as between the United States and the British Commonwealth. To the pessimist that means nothing; to the optomist, everything. We are become, by honour of destiny, the key-stone of the world's arch. The altitude is proving too high for some weaker heads. They want to be let down off the key-stone and crawl into one side of the arch itself. No, thank you, Humpty Dumpty.

We are all good Canadians. But we need not make ourselves uncomfortable about it. There is no need to hide in the background our British origins, our British traditions and our admiration of the British spirit. Any one who cannot admire the British spirit after the defence of Britain in 1940 is a damn fool.

Even for our French Canadian fellow-Canadians this is a British country. For they themselves for now nearly two centuries, have not only lived under British government but have participated in its operation and made their contribution, through such men as LaFontaine and Laurier, to its advancement.

We need not hold it against George Drew that he is proud of being British and never fears to say so. There is too much nonsense over this at present. For a flag, what better than the Union Jack and "God Save The King" all round, and something extra on the side for each, for Canada, "O Canada", if you will, for Britain, "Rule Britannia", for the Welsh, "Pop Goes the Weasel" (if that's it), and for the Scots a tune on the pipes all to themselves. I am certain that George Drew is not the man ever to let our politics degenerate into a sentimental tavern drunk over music.

George Drew is a Conservative. There is no harm in that—or not now. Conservatism like all things human was born, in part at least, in sin. Just as the original Liberal carried the suspicious appearance of the visionary or the revolutionist, so the Conservative carried some remembrance of the tyrant, of the power of the lord over the serf and of the rich over the poor. Far down into our time something of this carried on as class privilege, as vested right in church and state and property. All that has passed away. A Conservative leader nowadays no more keeps a dungeon than a Liberal keeps a dagger. The Canadian party is now the Progressive Conservative party, thus recognising a thing in name after it has long existed as a fact—another highly British practice. The Magna Charta was really centuries old before they signed it.

Conservatism must now mean in Canada guardianship not of the rights of a class but of the rights, and of the welfare, of all; not theories, facts; not dreams, realities; not tears, but action. Conservatism proposes to make a new social order by working the old social order properly. I am certain that millions of my fellow Canadians agree with me that we must be done forever with unemployment, done forever with giving children just enough school to open the door of a wider world and then close it, to throw them into premature work in farm and factory—done forever, by one sustained and heroic national effort, with want and poverty and all that breeds with it.

George Drew has behind him the fine record of an industrious, useful life and the proud honour of being a veteran of the Great War, overseas in the service of his country and of the British Commonwealth. But he is still young enough to have the energy needed for the great tasks that lie ahead of us, and to share in the future in the great triumphs that are still to come. On such a course I wish him all success.

Stephen Leacock

VOTE AUGUST 4 FOR THE

PROGRESSIVE CONSERVATIVE PARTY OF ONTARIO

Published by the Progressive Conservative Party of Ontario.

The Editorial Page . .

A Creditable Performance

Apart from its content, the most striking thing about the George Drew platform announced last week for the Ontario provincial election contest was that here is a party leader ready and able to set forth a comprehensive and specific program of action for a group which invites the task of conducting the business affairs of this province.

In outlining his 22 points, Colonel Drew did not subscribe to the old political cynicism that the less a political aspirant says about his plans the better; nor did he subscribe to the too widely held view that "provincial governments can't do much that matters anyway."

Colonel Drew of course still has a great deal of explaining to do. The way in which he intends to implement his schemes and achieve his ends will have much to do with their wisdom and acceptability.

Colonel Drew proposes to do things which will require greater government expenditure. He is going to revolutionize the educational system and at the same time cut the taxpayers' school tax bill in half.

Presumably Colonel Drew agrees that some relief from the tremendous wartime tax burden is one thing citizens want and that is needed for the healthy functioning of our economy.

The Progressive-Conservative leader promised to explain and develop his ideas promptly. Electors will await further details with much interest.

A Major War Industry

The war work of the Canadian textile industry is one of the big and vital jobs that seldom make headlines.

From more than 300 plants located in some 150 different Canadian communities all across the Dominion pours a vast quantity of materials, essential to our war effort—clothing for the troops, in great variety. (In one year the armed forces use more wool cloth than the entire population ever did in any pre-war year.) There are ammunition bags, camouflage nets, tarpaulins, tents and several hundred more specialized wartime articles essential to the functioning of our war machine.

The textile industry was able to shift to war work overnight. It did not seek or ask government assistance to finance the vast expansion in production that was required. While pouring out military goods, it managed by dint of skilful planning to serve civilian needs too.

To date nearly $300 millions of textiles and textile products have been ordered from Canadian plants by the Canadian Government—an order that puts this industry in the very forefront of the nation's war industries.

Its record is a fine example of what men of skill, courage and real enterprise can do in a free enterprise system.

Co-ordinate Our Police

Need for a police force in Canada to act as a "co-ordinating unit for all other forces similar to the FBI and Scotland Yard" was a recommendation strongly urged by V. A. M. Kemp, assistant commissioner of the RCMP recently speaking to the convention of Canadian chiefs of police.

The criminal constantly becomes a more expert operator. Development of air travel as commonplace and regular vastly increases the scope of his operations. War and its aftermath have usually brought with them an outburst of criminal activity.

At present there is nothing but accidental and purely voluntary co-operation between RCMP, provincial and municipal forces. There is no overall top executive direction providing for constant and complete co-relation of effort; for assuring the most efficient disposition of available forces; for assuring complete interchange of information.

Without national co-ordination of police effort, all our forces must inevitably be handicapped in building up adequate records, in establishing scientific laboratories, in employing top-notch experts in special fields. Pooling resources would make such costs insignificant.

Ontario, Quebec and British Columbia could advance the cause of scientific and co-ordinated police work very materially by merging their provincial forces with the RCMP as the other Canadian provinces have done.

For maintaining their own provincial forces, Ontario and Quebec each pay out about $1.5 million a year, British Columbia about $1 million.

Very substantial savings could be obtained if the three hold-out provinces used the RCMP. The agreement with the co-operating provinces provides for a charge of only $1,000 per year per man assigned to the territory.

Surely there need be no politics, no worry about provincial rights in facing the police problem squarely and sensibly. The present is an excellent time for getting our national home defense forces into a position where they can give the best service.

The Task on the Home Front

It is a difficult duty, this standing firm in our home tasks while hell breaks loose on the fighting fronts. The feeling is inescapable that we are playing an idle part. Thoughts of the contrast between this quiet safety and the blazing inferno of Sicily are inevitably painful.

Here is a problem of the home front that calls for high self-discipline; for re-clarification of the true function and service of workers on the home front. It is a time for re-dedication to our jobs; for an end to pursuit of petty self-interest; for faithful devotion only to those high purposes for which our soldiers on the war fronts are fighting and dying.

Two Years—Two Appeals

For the first time, there is now some official definition as to who may and who may not be granted a license to sell securities within the province of Ontario. This was formerly a matter solely within the discretion of the Securities Commissioner.

Under this judicial directive, the Security Commissioner can grant licenses only to persons who "shall be honest and of good repute"; and that in the exercise of its discretion the Securities Commission shall "act honestly, impartially and fairly."

This new instruction comes in a statement from the Board of Review to which an appeal had been made from the ruling of the Ontario Securities Commissioner. The Board of Review is the "appeal court" for security cases provided for in the Securities Amendment Act 1941.

In view of the loud and clamorous laments of some groups that the Securities Commission exercised dictatorial powers inconsistent with democratic government; that here was a "nefarious one man despotism" grievously interfering with the rights of citizens to make a living in their own way; that securities control hampered development of raw material resources, it is very significant that this is only the second case to come before the Board of Review in the two years it has been in operation.

Not a Job for Radio

The radio is not a good vehicle for giving to the public a large batch of ideas and expecting the public to remember and digest them.

That was very evident in the George Drew speech in which he listed his 22 points. Radio listeners got bogged down with his stream of information and ideas and were left confused and unsatisfied until they read the speech in their newspapers the following day.

Colonel Drew, of course, was a beneficiary of the new CBC order providing free time for political candidates. Naturally he wanted to make good use of the network put at his disposal. And in using radio for his big announcement, Colonel Drew was following the current political fad.

Radio has definitely established its role in the transmission of news. It is superb and unchallenged in its handling of the news bulletin and the news flash.

But until the whole educational process of the race is changed, radio is misused and ill-used when more is asked of it. The educational process is based on what we see, chiefly in the printed word.

For the great majority, the eye sorts out the significant facts and commits them to the mind. The machinery linking ears and mind and memory hasn't had this long and incessant training. Big intellectual doses via radio hence seem overwhelming and indigestible.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

CNR Work to be Done After the War

Herewith, in highly condensed form, The Financial Post gives the gist of the program for postwar employment submitted to the Special Committee on Reconstruction and Re-establishment by the Canadian National Railway, the Dominion's largest employer and consumer of supplies.

• • •

Because of pent up buying power, "It seems most logical to relate consideration of postwar activities to a national income approximating that presently attained"—around $8 billions.

At that national income figure CNR will spend on operating and capital exp. $317 millions, representing on payroll (man-days) 33 millions and on materials (man-days) 14 millions.

This business will provide an additional 14 million man-days yearly of employment through purchases of goods and services from other and supply enterprises.

Each 1% increase in national income brings .7% increase in CNR employment. Each 1% decrease a decrease of .75% in CNR employment.

Deferred maintenance work is piling up and $19 millions is now in special fund for that purpose. CNR "still has a margin of reserve capacity, but if present high volume of traffic continues, more labor and materials, especially rails, timber, freight cars and locomotives must be provided."

Such deferred maintenance could be overtaken in 3 to 5 years after the war, representing $30 millions or 3.1 million man-days, plus 1.4 million man-days in complementary businesses.

A railway is an excellent medium for program of controlled capital expenditures. For five reasons:

It has long-continuity of existence.

Because it touches all parts of nation, employment can be readily adapted to local needs.

Opportunity for capital investment is high because a railway is a relatively big employer of capital.

Its capital needs touch great variety of business, involve work for almost every type of craftsman.

Railway is never finished. Constant technological improvements can be undertaken, new lines built.

The CNR policy for many years has been "to undertake only such capital works as were remunerative or unavoidable."

Following list of possible work to be done after the war to create employment is submitted as outline of what might be done, but is not advocated by CNR "because the majority of the projects could not be considered as self-liquidating."

Possible works projects fall into four categories;

1. Projects which expand CNR field of operations—new lines, $59.5 millions; 8.8 million man-days.
2. Economy projects, hence self-liquidating—$206.8 millions; 30.8 million man-days.
3. Projects generally desirable but doubtful if they would earn interest on capital involved—$270.5 millions; 40.2 million man-days.
4. Projects having desirable features but not paying interest on capital involved—$103.5 millions; 15.5 million man-days.

The amount of work which could be undertaken on fairly quick notice would hardly be expected to exceed $100 millions per year if adequate supervision of expenditures, consistent with sound and economical management is to be afforded:

The CNR should be asked to carry the full cost only of the second group of projects which are self-liquidating. For the other three classes some form of financial assistance is justified. Pioneering lines usually result in losses to railway though the country at large benefits. Third and fourth groups, elimination of grade crossings, etc., are advantage to country at large but add little or nothing to a railway's earning capacity.

There is room in Canada for new trackage to tap mineral, forest and agricultural wealth. The most obvious areas are Peace River and Mackenzie River basins, northern British Columbia, some areas in northern Ontario and Quebec and considerable portions of Manitoba and Saskatchewan.

To build and equip an average mile of pioneering railway costs $75,000 and 12,700 man-days' employment.

It would seem desirable at conclusion of war to consider thorough renovation of the fleet and the provision of steamships of a size and type best suited to conditions.

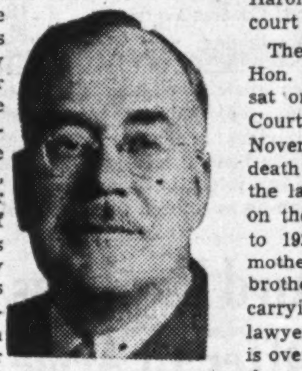
Cartoon by Grassick.

IN THE LAND OF THE SIRENS.

Post-Scripts . . . . .

Southern Roots

Iredell Killaly Johnston, newly appointed assistant general manager of the Imperial Bank of Canada is a native son of Canada with a southern background. His father, Rev. Gabriel Johnston, D.D., rector of Holy Trinity Church, Welland, Ontario, came to Canada from the Southern States where the family had resided for generations. He married a Canadian, Alice Kate Killaly of Ottawa, Ontario, and their son, the subject of this sketch, was called Killaly after his mother's family. The Iredell goes back a great deal farther—to the colonial days of the United States.



MR. JOHNSTON

Gabriel Johnston of Dundee, Scotland, founder of the family in America became governor of the crown colony of North Carolina in 1720. The name at that time was spelled with an "e" at the end, but this branch of the family dropped the extra letter soon after coming to North Carolina. One of the Johnstons later married James Iredell who was appointed an associate Justice of the Supreme Court of the United States by George Washington. Thus Iredell became a family name.

One of the old Johnston homes built by a later Governor Samuel Johnston is called Hayes, after the home of Sir Walter Raleigh. Located in Albermarle Sound near Edenton, N.C., it is still occupied and a fine example of early Colonial home. The new Assistant G. M. himself has many Southern characteristics. He is tall and dark with a soft voice and ready smile. His kindly eyes, behind thick glasses suggest a ready humor and much goodwill.

Like most senior bank officials of the present day he started in the bank's service as a very young man direct from school. Joining the staff at Welland, Ont., in 1904, he later served as manager at Preston, Essex, Ingersoll, St. Thomas, Brantford and London. In 1931, he was appointed supervisor at head office and in 1938 general supervisor. For six months last year, he served as deputy coordinator of foods for Canada.

His recreations are mainly swimming and tennis with a little of what he calls poor golf thrown in. He is an omniverous reader and an enthusiastic gardener. He married Helen, youngest daughter of Harry Richardson of Ingersoll and has two daughters who manage him capably: Helen Mary, a student at Trinity College and Frances aged 16.

Another to the Bench

The Robertson family of Victoria has probably given more distinguished sons to the legal and medical profession in British Columbia than any other, and a few days ago witnessed the elevation of another of its members—Mr. Justice Harold B. Robertson—to the provincial court of appeal.

The new justice is a son of the late Hon. Justice A. Rocke Robertson, who sat on the British Columbia Supreme Court for a year and five days, from November 26, 1880, to the day of his death the next year. He is a nephew of the late Justice D. M. Eberts, who was on the B.C. Court of Appeal from 1917 to 1924. Mr. Justice Eberts and the mother of Mr. Justice Robertson were brother and sister. One of his sons, carrying on the family tradition, is a lawyer in Vancouver; another, a doctor, is overseas with the Canadian army. His three brothers include two lawyers and a doctor.

Following the death of his father the new B. C. appeal Court member left Victoria at the age of seven. He was educated at Trinity College, Toronto, from which he received his B.A. in 1894, proceeding to Osgoode Hall, from which he graduated in 1897.

The next year he was called to the bar in Ontario and British Columbia and he joined his brother, the late Judge H. E. Robertson, in Victoria, in 1898. When his brother left for the Yukon, he practiced law alone in Victoria for several years and was subsequently joined by the present Senator G. H. Barnard, K.C., in 1906, the firm later expanding to include H. G. S. Heisterman and E. L. Tait.

Senator Barnard retired from the partnership in 1918 and a few years later Mr. Robertson went to Vancouver to practice law, joining A. H. Douglas. In 1933 he retired to accept appointment to the B. C. supreme court.

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Newswriter-Judge

A former newspaperman who turned his hand to a variety of businesses before finally embarking on a legal is British Columbia's newest member of the supreme court—Mr. Justice Arthur Douglas Macfarlane, K.C.

Born in 1882 in Prince Edward country, Ontario, the son of a clergyman, Mr. Macfarlane received his education in Ontario public schools and matriculated at 16 from Lindsay Collegiate Institute. Then he went to business college and the University of Toronto, from which he obtained his B.A. degree in 1907, graduating at the head of the first class of honor students in modern history.

Then he worked for a while as reporter on The Toronto Star and gained an insight into commerce with the Harris Abbatoir Co., then operating under J. Stanley McLean, now head of Canada Packers.

But printer's ink still appealed to him and, when in Winnipeg as a member of the Tribune staff he met the late Duncan Ross, federal member for Yale-Caribou, he was persuaded to go farther west and edit the Greenwood Times in the heart of a mining boom area.

Greenwood, however, did not hold him long and 1911 found Mr. Macfarlane in Victoria, reading law. He established his own practice in 1912.

He is a former president of the Victoria Bar Association and for several years he was chairman of the committee on the administration of civil justice for that organization. In business life he has been a director of David Spencer, Ltd., one of the largest mercantile establishments on the west coast, and secretary of Sidney Roofing & Paper Co. He was a member of the Oak Bay municipal council for several years.

One son is overseas with the RCAF; another is in newspaper work in Vancouver.

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Chief of Police

H. A. Cadieux, O.B.E., acting chief, department of investigation, Canadian Pacific Railway, was elected president of the Chief Constables Association of Canada, at the 38th annual convention at the Royal York Hotel, Toronto, last week. Police circles of the Dominion, in which Mr. Cadieux is extremely popular seem to be highly pleased with their new leader.

MR. CADIEUX

Mr. Cadieux was born at Montreal in January, 1886, and educated at St. Therese College, near Montreal. His railroad career of 41 years started with the Grand Trunk Railway in Montreal as a messenger boy when he was 16 years old, and he rose to be assistant special agent. In 1913 he joined the Canadian Pacific Railway as an investigator. His record since then shows him inspector, Eastern and Atlantic Division, 1915; inspector, Quebec District, 1917; assistant to the chief, 1921, and assistant chief, 1925.

He has twice been acting chief, department of investigation in the 30 years he has spent with the company. He first served in that capacity from December 1923 to July 1925 following the death of Chief R. G. Chamberlain, and again took over the post when Major General E. de B. Panet, C.M.G., D.S.O., L. d'H., V.D., went on active service in World War II.

The chief work of members of the investigation departments of Canada's two railways is to police thoroughly the systems, to protect the passengers and to protect freight.

Both railways have plainclothes investigators at their big terminals to help protect passengers from pickpockets and the wiles of confidence men and women.

Wartime duties are very much heavier. Railway police not only have the right-of-way and bridges to watch constantly against sabotage, but the vast armament trains have to be policed thoroughly all the way from factory right to the shipside at ocean ports. In conjunction with the armed forces, the railways' investigation departments organized the Provost Marshall's Service on trains and at stations.

Mr. Cadieux, who is a J. P. for the Province of Quebec, holds the King George V silver Jubilee Medal and King George VI Coronation Medal. He is a past president of the Lions Club of Montreal, a past president of the Province of Quebec Police and Fire Chiefs Association and a director of the Association of American Railroads Protective Section.

"Our department," said Mr. Cadieux, "is out to be of every possible assistance at all times to the travelling public. We are called upon to investigate crime, but we naturally do everything we can to prevent crime."

As to hobbies, Mr. Cadieux is a keen tennis, golf and bridge player.

Other People's Views . . . .

The Canadian Editorial of the Week

Canada Takes the Lead

The Gazette, Montreal

Prime Minister Mackenzie King's speech, introducing the estimates for his Department of External Affairs, appears to be one of the most important statements on foreign policy he has made since war broke out, or indeed at any time. In it, Mr. King enunciated a principle which he named "functional representation" in international organizations—a new and wholly Canadian concept, which may contain the solution to a major postwar problem.

It is a compromise between two equally undesirable extremes. On the one hand is equal sovereignty, the principle on which the League of Nations was founded—all the earth's 60-odd nations fully equal, the Republic of Haiti having the same voting strength as the Soviet Union.

In reaction from that absurdity, more and more people were swinging to the opposite pole, a world dominated and ruled by the Big Four—or even Big Three—major powers. There have been complaints already that too many decisions affecting all the United Nations are being made by Great Britain, the United States and Russia.

Canada now proposes a middle course. Mr. King did not enlarge upon the meaning of "functional representation," except to say that international bodies "should admit to full membership those countries, large or small, which have the greatest contribution to make to the particular object in question." A current example, presumably, would be the international food board, on which Canada is certainly entitled to sit, though she does not yet do so.

Norway, for instance, has only the population of Brooklyn, but she is a major maritime power—her right to a seat on any international body concerned with shipping should be unquestioned.

And for Canada, there is the vital matter of air control. We are only 12,000,000 people, and our aircraft factories are brand new and make no engines, but we are the crossroads of the future. Short air routes from the United States to almost every major world capital pass over Canadian territory and will use Canadian airports. Here, above all, will "functional representation" serve us well.

In setting forth this principle, Mr. King has made Canada the leader, or at any rate the spokesman, of all those smaller countries whose role in world affairs is greater than their numerical size would indicate. Leaders of the other parties in Parliament should take the first opportunitiy to associate themselves with the Prime Minister and make it clear that in this matter, he speaks for a whole nation.

• • •

Stop Me If . . .

Canadian private: "Can you explain to me the difference between shillings and pence?"

Sergeant: "Well, you can walk down the street without shillings."

As Others See Us . .

Not Too Soon

Victoria Times, B.C.

An emergency conference of all parties concerned on what is referred to as the "coal labor crisis" was to begin its session in Ottawa today. This gathering was overdue. Judging from the reports from every part of the country of increasing difficulties in getting coal supplies, drastic measures are needed.

The Financial Post goes so far as to say that there may come out of the conference either or both of these steps: 1. Nationalization of Canadian coal mines. 2. A national bonus or worker subsidy to raise the level of pay throughout Canadian mines and compensate miners for being "frozen" to their jobs.

Nationalization of the coal mines may be too great a step, and an unnecessary step, to be taken at this time, but there is no room left for doubt as to the need of adjusting wages throughout the industry.

It may be recalled that in an effort to overcome the labor shortage in the coal areas of this island, the government accorded preferential treatment to our miners. This has brought demands from coal miners in other parts of Canada.

The fact is that in spite of all that has, or has not, been done, coal production is still lagging deplorably behind the demand. It is apparent that emergency measures are called for and the hope is that the attempt of the Ottawa conference to resolve the present problems of the industry will be productive of constructive results before there is any further breakdown in output.

What The Papers Are Saying . . . .

Mr. Gillis' Loose Charges

Montreal Daily Star

Clarence Gillis, CCF Cape Breton South, charged in the Ottawa House that dollar-a-year men in the Government service who were paid by their own corporations rendered their main loyalty to their business associates. He richly earned the rebuke Mr. Ilsley, the Finance Minister, immediately administered.

The record is wholly against Mr. Gillis' loose accusation. True, the member for Cape Breton South qualified his statement by saying that he was not charging anybody, but added, "it was only human nature that such men would work for the interests of the corporation from which they made their incomes.

This imputation drew from Mr. Ilsley the retort that the member was propounding "remarkably low theories of human nature." Now Mr. Gillis belongs to a party which claims to fight the battles of the common man, and imputes to the common man a much higher degree of political and social intelligence than his self-appointed defenders in Parliament have so far displayed. Yet in defense of his unjustified charge he raises the plea of human nature.

Every man's estimate of human nature is based on his own character. It is to be assumed, then, that if Mr. Gillis and his associates were in power we could expect from them the line of conduct Mr. Gillis wrongly attributes to others.

The Mail-box . .

Gillanders

Editor, The Financial Post:

I was greatly interested in your biographical sketch of Mr. Justice Gillanders, but he is far too modest. He is reported to have explained that "the name Gillanders really means they were the gillies of the Andrew branch of the Clan Ross."

They were not. As a matter of fact, Gillanders or Gille Anndrais was a first name and not a patronymic and was given to the first of the ancient Celtic earls of Ross (Clan Andrias, Andrew, by which the territorial Clan Ross is still named).

Gillanders in this case simply means the son of Andrew, this particular Andrew or Andrias being a powerful bishop or priest of Apple Cross in Ross-shire, and the descendant of the famous chieftan Gilleon na h'Airde (Gilleon of the country around the promontory of Airde).

The word gille throughout the ages may mean a son, a boy, a lad, a flower, a gadget, a man servant, and latterly a Highland gamekeeper. In the case of Gille Andrais, it would be as sensible to maintain that Gille-fion, a white periwinkle, meant a pale-faced gamekeeper, or that gille-mirein, a tee-totum, was an attendant on a whirling Dervish, as to say that Gille Anndrais meant the servant of Andrew instead of the correct leanabh gille, that is the male or man child of Andrew.

Fearchar, Gille Anndrais or Mac an t-sagairt, the son of Andrew the priest, was created the first of the ancient earls of Ross. His grandson, William, led Clan Andrias, at Bannockburn, so if the progeny of the various Gille Anndrias continued in the leadership, as they did, until some hundred years after when the old celtic earls were deposed or died out, they must have belied the idea that they were "gilles."

As matter of fact, they were rather bossy, and laid down with exactitude the designations and function of the real gamekeeper gilles, such as gille-each, a groom; gille-coise, a footman; gille-riuth, a courier; gille-greasaidh, a postilion; gille-mareachd or gille-gnothuich, a messenger; gille-sguain, a trainbearer; gille-copain, a cup-bearer, and so on; but with the Gille of the Gille Anndrias, it was leanabh gille, a gille of a different category. So endeth the Gaelic lesson.

Yours truly,
One of the Clan Andrias.

Ottawa.

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

DOUGLAS M. GOWDY, Manager
RONALD A. McEACHERN, Editor

Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2

JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
FLOYD S. CHALMERS, Executive Vice-president.
B. G NEWTON, Vice-president.

Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $6.

Advertising Rates: Single insertion $4.20 per inch. Contract terms upon request.

Montreal: Dominion Square Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

Ottawa: 280 Irving Ave. (Tel. 8-0847); Kenneth R. Wilson, Resident Correspondent.

New York: 522 Fifth Ave.

Chicago: 309 West Jackson Blvd.

London, England: Quadrant House, 55 Pall Mall, S.W.1.

Split Shift Gets Trial In Canadian Factories

Warplants, Hospitals, Laundries, Hotels Are Using Plan to Secure More Women Workers to Ease Shortage

Split-shifts for women workers in the Toronto area to meet the urgent need for help in hospital, dry cleaning, hotel, restaurant and laundry establishments, are being tried out as a result of conferences between the women's division of National Selective Service and the Local Council of Women.

Present orders for women to do "split-shift work" are said to number around 2,000 and for the first time a concerted attempt is being made to bring into the employment stream housewives and others who could not work a full day but who are available to "split a shift" with others.

"The influx of students doing temporary work in these essential services has temporarily saved the situation," said Miss M. Eadie, director of the Women's Division of Toronto NSS. "But by the middle of August these students will be leaving for brief holidays before returning to school. At that time the need will again arise for more women to work on the split shifts. At the moment, we need at least one thousand for immediate placement."

War Plants Too

Women workers are getting a chance to show what they can do in war work through limited adoption of "split shifts," a device whereby housewives and mothers can be employed in factories for four-hour periods, The Financial Post learns.

Already adopted on a considerable scale in the United States, where the "split shift" has often meant that office workers do a three or four-hour shift after their regular work for the day is done, this move is now getting a trial in Canada.

If successful it may mean that hundreds, perhaps thousands, of women, now unable to take a regular place on the production line due to home responsibilities, can help ease Canada's worker shortage.

General Engineering Co., a government war plant, is now giving the "split shift" for women a trial with what promises to be considerable success. Others are exploring the idea and inform The Post that they are ready to give it a trial if the labor shortage becomes any more serious.

Get Workers Back

About 80% of the employees of the General Engineering plant are women and 62% of these are married. The firm believes it will benefit by securing a better type of employee in this way. Moreover, former employees, who were doing three or four jobs at one time—keeping house, looking after children and holding down a full-time shift job—got tired and had to give up. Word of the new hours is attracting them back. Such people are valued, skilled help and an asset to the company.

As for the children, the "split shift" is said to be a definite aid. Ten or twelve hours away from their mothers, or in a daytime nursery, however excellent—as present shifts necessitate—is too long for any child, experts claim.

Problems Involved

The changeover involves certain problems:

Twice as many uniforms and shoes will be in circulation for women on two shifts as for single shift worker where such items are supplied. Extra cost, however, will not be excessive, those who have studied the plan maintain.

There will be extra strain on the cafeterias as women will incline to stay for lunch after the morning shift, or take lunch at the plant before beginning the afternoon period, experience shows.

Instead of issuing one cheque, two will be made out; necessary adjustments for unemployment insurance and sick benefits will be doubled.

Good Results Expected

Said, Grace Hyndman, director of Women Personnel:

"We anticipate that this will be the solution to the labor shortage and to absenteeism brought about by women who were overtired from doing too many jobs or who were worried about their children while away from home."

Numbers of plants queried about the "split shift" evinced interest in the matter, but none have so far introduced it. With the exception of one plant, which engages technical workers almost exclusively and has few women on its payroll, most personnel heads were of the opinion that "split shifts" could be introduced with little difficulty and should be inaugurated should need arise.

In line with the "split shift" for women workers is the Dominion-Provincial project for establishment by local committees of wartime day nurseries to care for two to five-year-olds of mothers working in A and B priority industries. Under an agreement reached July, 1942 the Dominion provides 50% of the cost of a nursery unit, if the Province pays the other 50%. After a year of operation 14 of these have been established in Ontario, each unit caring for between 30 and 50 children. Six are in industrial areas of Toronto.

The Week in Business

	June	May	Apr.	Mar.	Year Ago
Financial Post Production Index	....	259.2	257.3	252.4	208.0
*National income D.B.S. (c)	....	§752	§737	§725	....
Dom. war expend. (million $)	....	272.2	136.9	....	207.6
Dom. total revenue (do.)	....	205.1	177.8	....	334.0
Dom. total expend. (do.)	....	325.0	169.5	....	389.5
Dept. store sales index no.	....	139.0	153.4	164.3	140.1
*Retail sales index no.	....	154.5	163.2	167.8	149.0
*Wholesale sales index no.	....	163.3	163.8	173.4	158.7
Country store (% change pr. yr.)	....	+13.8	+14.5	+13.0	+11.7
Divd. payment index↓	123.5	122.7	122.0	122.1	121.8
Bank deposits (1935-39=100)	....	171.0	163.0	151.7	167.6
Cash and cheque pay. index	....	215.7	162.3	161.9	147.8
Bank debits (1935-39=100)	....	183.0	156.6	158.7	127.9
Money supply (c)	....	4,727	4,536	4,244	3,801
NEWSPRINT % OF CAPACITY—					
Production ratio	....	68.6	62.0	64.2	68.0
Shipment ratio	....	69.6	65.9	64.6	72.0
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	190.8	201.6	202.3	182.3
Cars (D.B.S. index)	....	142.5	144.1	143.7	142.3
COST OF LIVING—					
D.B.S. index	118.5	118.1	117.6	117.2	116.7
EMPLOYMENT INDEX No. D.B.S.—					
*All industries	....	178.2	180.6	181.5	167.4
*Manufacturing	....	222.9	224.3	223.4	202.3
*Payrolls (June 1/41=100) (b)	....	139.8	144.3	143.2	123.8
*Payroll index (a) (1937=100)	....	223	224	229	197

RAILWAYS—	1943	1942	1943 (Jan 1 to date)	1942 (Jan 1 to date)	Change %
*Carloadings (week July 3)	62,369	60,368	1,694,383	1,699,567	—0.3
*C.P.R. gross (week July 7)	$ 5,745,000	4,827,000	141,976,000	125,860,000	+12.8
C.N.R. gross rev. (May)	$ 37,073,000	29,687,000	171,224,000	137,626,000	+24.5
C.N.R. net rev. (May)	$ 8,753,000	7,770,000	35,567,000	30,073,000	+18.3
C.P.R. gross rev. (May)	$ 24,205,061	21,522,075	111,533,314	99,788,426	+11.7
C.P.R. net rev. (May)	$ 4,313,413	4,233,560	16,781,725	17,773,718	—5.6
IRON AND STEEL—(May)—					
Pig iron production (tons)	154,746	171,386	719,900	806,039	—10.6
Steel production (tons)	271,737	272,247	1,259,652	1,305,075	—3.4
CONSTRUCTION—					
Contracts awarded (June)	$ 20,478,700	46,756,200	102,126,800	134,947,200	—24.3
Building permits (May)	$ 7,891,858	9,255,740	26,412,726	38,366,458	—31.2
Cement prod., bbls. (Apr.)	459,575	619,907	1,468,809	1,602,615	—8.3
AGRICULTURE—					
Flour prod., bbls. (May)	2,099,996	1,481,449	10,304,154	8,390,031	+22.8
*Cattle sales▲ (June)	92,115	92,559	494,245	524,829	—5.7
*Hog sales▲ (June)	485,655	425,530	3,183,279	3,147,709	+1.1
SEA FISHERIES—‡					
Catch cwts. (Apr.)	297,008	313,507	1,415,238	2,377,574	—40.4
Landed value (Apr.)	1,642,790	1,302,052	4,311,922	3,893,978	+10.7
NEWSPRINT—					
Production, tons (May)	254,046	251,831	1,185,825	1,415,512	—16.2
Exports, tons (May)	241,509	249,242	1,108,159	1,283,676	—13.7
MINING AND OILS—					
Coal prod., tons (May)	1,300,619	1,316,862	7,507,111	8,082,257	—7.1
*Gold rec., (fine oz.) (May)	307,450	393,710	1,619,495	1,971,493	—17.8
Petroleum prod., brl. (Apr.)	837,072	846,574	3,338,939	3,491,258	—4.3
ELECTRIC POWER OUTPUT—(May)—					
Total monthly 1,000 kw.h.'s	3,502,819	3,174,764	16,269,363	15,569,184	+4.5
OTHER INDUSTRIAL FACTORS—					
*Shoes, prod., pr. (May)	3,018,911	2,816,452	14,571,910	13,602,147	+7.1
Cotton consump., lb. (May)	15,751,887	17,064,741	80,339,205	84,656,640	—5.1
Cigarette cons., No.† (May)	907,139	771,478	4,766,022	3,848,212	+23.8
FINANCE—					
Bank debits† (May)	$ 5,423,711	3,790,964	21,117,778	17,824,665	+18.4
Bond sales† (May)	$ 111,195	92,341	1,689,523	1,723,015	—1.9
Life insurance sales (May)	$ 49,726,000	40,336,000	228,400,000	194,882,000	+17.2

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted. •Millions of dollars.
↓Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries. §Estimated.

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HEADS INSTITUTE

E. J. Williams, C.A., for the firm of George A. Touche & Co., who has been elected president of the Institute of Chartered Accountants of Manitoba.

Headgear For Men

Hat Turnover Nears 1938 Top

Boom in Headgear Limited Only by Supply Curbs

Hats are sitting pretty and the retail trader is in a "thank you" mood.

Materials and trained help may be in short supply. The potential in fine straws may go unrealized because Bakus, Hinokis and Shantungs can't be obtained. Donald Gordon may say "no" to the homburg curl and the zoot-breadth brim. But representative hatmen visited by The Financial Post say that Mr. Ilsley hasn't yet taken away all that the Lord has given and that volume in their business is the best since 1938.

Having a good deal more money in pocket since the onset of the war industry boom, men of all pursuits and persuasions have been buying more and better hats, the retailers report. The beaver topper may be in storage for the duration by common consent, the opera or folding stovepipe may languish in France, but hats for the millions are being made by Biltmore in Guelph, Stetson in Brockville and a score more manufacturers in Montreal, Toronto and other centres and the stores are enjoying a trade of flourishing proportions.

Australian wool has been keeping Canadian felters busy since white fur stopped flowing from Poland, Belgium and The Netherlands.

Prices Claimed Low

As an inheritance from the old-time craftsman hatter, a distinctly individualistic point of view on questions affecting the trade is admitted by dealers in headgear. They have developed few co-operative policies or organizations and it is only as individuals that they are today meeting government requirements, market trends and wartime problems.

So it is that each in his own establishment and in his own good time and way, is giving some thought to 1943 hat prices in relation to the WPTB appeal (Financial Post July 10) for inauguration of a "selling-below-ceiling" policy by consumer-business leaders. Hatmen interviewed said it wasn't immediately apparent how their trade could move further against inflation. It was contended that hat production and handling costs already had been held consistently low in the interests of the price ceiling.

Busy as they are these days, hatmen appear to enjoy client contact as much as any barber and may be found in most shops studying consumer tastes and foibles with eager diligence.

If you want to know something about how long the average man wears a hat, your dealer will plunge delightedly into psychology. Why do you love your old hat with a love that deepens as its decrepitude increases? It is because you look only seldom, and then furtively, into a mirror; because, anyway, you think a new hat looks comic on you for at least a year. So, the hatman says, would a new suit on the unaccustomed figure.

And if you're thinking of asking the clerk to send home the old one for "fishing" or "carrying out the ashes," be sure he sees through your pathetic loyalty. Hatmen know that it takes a watchful wife to give the ancient lid a decent burial.

The hatless vogue is looked upon in the trade as virtually finished business. The youth of the land is wearing headgear in the armed forces. A few years of such rigid etiquette as obtains in the services, especially with regard to hats, will return the hardiest barehead to civilian life with a hat on his mind.

Big Industry

Proportions of the Canadian output of men's hats are indicated in the Dominion Bureau of Statistics' recent publication, The Hat and Cap Industry in Canada, 1941. In its tables, reporting firms are shown to have produced about 173,000 dozen men's hats, chiefly fur felts, wool felts and straws. With plants centred in Ontario and Quebec, capital invested stood at about $10 millions divided into $3.4 millions for land, buildings, fixtures, machinery, tools, etc., about $4 millions for materials, stocks in process, finished products, fuel and miscellaneous supplies, and about $2.7 millions in cash, trading and operating accounts.

In that year, the whole hat and cap industry, including women's hats, uniform caps, etc., boasted 5,644 employees, a payroll of over $6 millions, consumption of about $9.6 millions worth of materials, and a gross value of production at around $19 millions.

Maintenance of Controls Seen as Post-war Need

League of Nations Delegation Report on Transition From War to Peacetime Economy Stresses Advance Planning

From Our Own Correspondent

MONTREAL—Advance planning is essential if postwar depression and unemployment are to be mitigated and many of the economic controls imposed in wartime, including those over prices, foreign exchange and disruptive spending of surplus income or savings, must be continued into postwar years.

This is the view set out by the Delegation on Economic Depressions of the League of Nations in its report on the Transition from War to Peace Economy, a summary of which is published in the current issue of the International Labor Review of the International Labor Office.

If the economic and social objectives of the United Nations are to be fulfilled, says the report, high levels of production and employment achieved in wartime must be maintained in times of peace. Independent action by each country to achieve full employment and economic stability would inevitably be self-defeating, so national policy should be co-ordinated on the basis of an agreed international plan, it is claimed.

Under the postwar shiftover from government to private demand, the existence of government orders and public works may facilitate or obstruct achievement of full employment and prevention of inflation. Public works, therefore, should be dovetailed into the zigzag of consumer demand. To do this governments should plan in advance and be ready either to start work on one or other of their projects promptly as the need arises, or to postpone putting the projects into execution.

Government policies covering rate of army demobilization, release of savings for expenditures by civilians, and tapering off of war contracts is of critical importance.

Government machinery which has been developed during the war to solve manpower problems should not be scrapped, but should instead be adapted for use in the transition period.

Need for Credit

In many countries full employment cannot be attained, the delegation says, unless capital and credit are provided for operating purposes. In this connection, therefore, there will be a call for investment funds to answer:

The demand for food, raw materials and certain finished goods to feed and clothe the population and gradually to restart production in war-stricken areas;

The demand for capital, domestic and foreign, to repair the physical damage and make good the wear and tear suffered during the war;

Demand for capital for the reserves of note-issuing banks for exchange stabilization funds;

Demand for capital for the development and reorganization of the industrial structure in countries where boundaries are modified, where the existing structure has been rendered inappropriate to postwar world distribution of productive capacity, where over-population exists, or where industrialization is taking place and capital is scarce.

Courage and Caution

If the demand is not fulfilled—and raw materials, food or essential machinery not forthcoming—business will not revive and demobilized or repatriated men will not be re-employed. If the demand is met so scrimpily that economic activity recovers to some extent but not business confidence, then any slight recession in business activity may develop into a major depression.

But if the demand is fully met by loaning funds at high interest rates, the burden of debt may become excessive, and may later weigh so heavily on a borrowing country's balance of payments that it will be forced to dump goods where and at what price it can, let its currency depreciate, default on its debt, or result in economic autarchy as happened in the 1930's.

Major Depression Possible

Postwar demand will probably involve risk of a run-away price boom and subsequent collapse accompanied by unemployment. In the war areas, it may wreck the best-laid recovery plans unless effective action is taken to halt it. At the domestic level, control measures must be retained to stabilize prices and effect an equitable distribution of supplies both to producers and to consumers, the report claims.

To prevent consumer demand from becoming inflationary, the government must consider whether it should maintain price or quantitative controls (or both). If quantitative controls are retained, it is stated, these must be made compatible with expansion of demand that will be required to reabsorb demobilized fighting men and discharged war workers in productive enterprise.

Until supplies are sufficient to prevent an inflationary price rise, rations of such commodities should not be increased.

Until conversion of plants to peacetime uses is complete, governments may need to maintain the system of priorities for distribution of investment goods, such as steel, machine tools and raw materials.

Financial control of postwar demand will require judicious use of the taxing power, and in some countries perhaps the recasting of the tax system to encourage productive enterprise, it is suggested.

Reduction of particular taxes may be necessary to restart business on a peacetime footing. First will be those consumption taxes likely to curtail the classes of demand that should be revived at once. Second candidate for reduction or removal will be corporation taxes—such as corporation income and excess profits taxes—which are likely to check enterprise and obstruct the switchover from war to civilian production.

Governments also should maintain machinery, the report says, for purchase and international distribution of scarce commodities and for joint control of shipping as long as shortages persist. As supplies of raw materials become more plentiful, this international machinery might be used to stabilize prices by co-ordinating supply and demand, or by creating buffer stocks.

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These investments have been made in the steel, aluminum, rubber, oil, chemical and many other industries. Our war effort requires maximum production in these industries. This production could not have been attained without adequate financial backing. Every life insurance agent who persuades some individual to provide or retain life insurance is the means of making life insurance dollars available for such investment.

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Brazilian Traction's Future

(Continued from page 1)

about half of Brazil's coal came from domestic sources—the proportion is being steadily increased.

But Brazil has waterpower in plenty. Sweeping in from the Atlantic, the moisture-laden trade winds pour enough water on Brazil's rolling surface to produce over 19.5 million horsepower. For comparison, Canada has harnessed something over eight million horsepower, but so far Brazil has only utilized a little over a million horsepower of her vast potential.

Hydro-Electric Power is Key

Unless further substantial deposits of coal or additions to Brazil's currently inadequate oilfields are discovered, it is clear that hydro power holds the key to her industrial development. Already many of Brazil's railroads are electrified (a new contract was recently signed by Sao Paulo Tramway Co., a Brazilian Traction subsidiary, to electrify part of the Sorocabana Railway in the State of Sao Paulo).

One job for Brazil's waterpower may be the development of an aluminum industry to utilize the bauxite deposits found in the States of Sao Paulo and Minas Gerais. Negotiations between the Brazilian government and that of the United States are already in progress for equipment. A large aluminum industry might require an addition to Brazilian Traction's hydro developments—a smaller industry might be handled with present equipment.

With a climate ranging from temperate to equatorial, Brazil can grow almost anything from pine trees to rubber, corn to bananas. And her mineral resources are no less varied. Brazil even has nickel, has exported small quantities. She has tungsten, molybdenum, mercury, manganese, lead, zinc, copper, chrome, silver and gold, titanium and vanadium.

Brazil's mineral resources have not been completely explored, and industrially the development of many of the known deposits has not advanced past the stage of shipping ores and concentrates abroad. Progress has been steady, and the vast field open for development (a situation analogous to that of Canada during the opening of the west) has given the Brazilian economy a natural resilience that has accounted in part for her rapid internal recovery.

The Rate of Exchange

But while there has been practically no interruption to the internal growth of Brazil, there had, until 1939, been little interruption to the steady decline in the foreign exchange quotation of the milreis. Quoted at 11.81 cents (U. S.) in 1929, the milreis had sunk to 7.03 cents by 1931 and today, under its new name of "cruzeiro," is quoted fairly steadily from 4.75 to 5 cents.

Like other companies, Brazilian Traction is responsible to the customers it serves and to the shareholders whose capital it is managing. In both these fields it has been hampered by the declining exchange value of the milreis.

To serve their constantly increasing number of customers, Brazilian's operating subsidiaries have had to purchase in world markets turbines, generators, telephone equipment, much of the coal for the gas plants, equipment for the waterworks. Each drop in the quotation for the milreis has automatically added a like proportion to the cost of the equipment Brazilian has had to bring in from outside.

For its shareholders, each drop in the milreis has proportionately reduced the prospect and the size of dividends that may be expected from a given degree of activity in the operating fields.

How Exchange is Conserved

It has thus been in the mutual interest of both the groups to which Brazilian Traction is accountable that the company should conserve foreign exchange. This has been done by constructing and repairing the greatest possible amount of equipment in the company's plants in Brazil, by purchasing the maximum amount of supplies within the country (e.g., 20% of the coal for the gas plants comes from the mines in southern Brazil).

In Rio and Sao Paulo, the shops operated by Brazilian's subsidiaries have helped counteract the exchange difficulties, and more recently have permitted the company to manufacture and improvise equipment which would, in wartime, be otherwise unobtainable.

The shops in Rio were inaugurated in Sept., 1930, and cover about 50 acres. Equipped with up-to-date wood- and metal-working machinery of all kinds, the shops are capable of producing or repairing almost every item of equipment now being used. The products of the shops range from bare and weatherproofed copper wire to street car and bus bodies, castings, office furniture, equipment of all types required for public utility work. Considerably more extensive than the shops operated by many North American utilities, Brazilian's plants have received favorable comment as a model of material conservation methods.

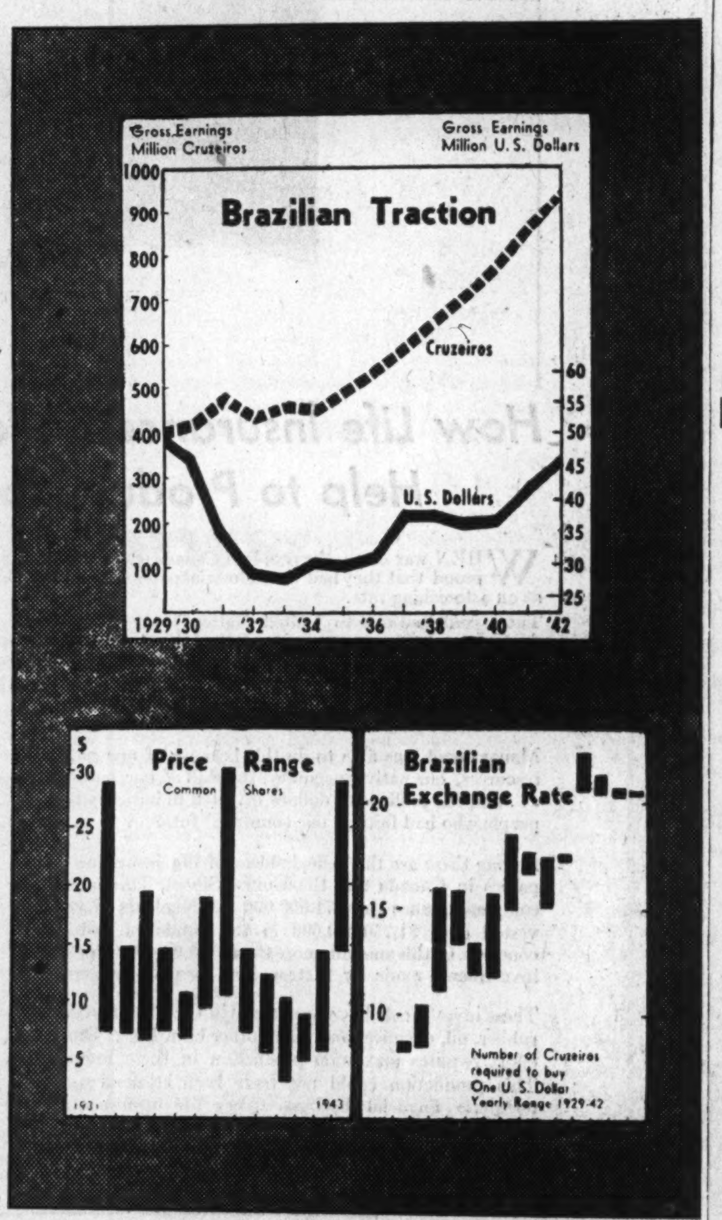

Chart at the top illustrates graphically the main problem of Brazilian Traction and its shareholders. While earnings within Brazil (cruzeiros) have more than doubled since 1929, dollar earnings have only recently regained the 1929 level. Dollar exchange rates, from which cruzeiro earnings have been calculated by The Post, are shown at lower right.

Because of its strong internal position, Brazilian rates high and has frequently sold on an investment basis. The current market appears to be taking this view, with the stock yielding between 4 and 5%. These periods alternate with periods of exchange difficulty when the stock shifts to a speculative basis. Two such periods are shown in the chart at lower left, the depression years, in which the stock found market support at around $7, and the early war years when support came in around $5. Note that the lower support point developed after exchange control came in in Canada, indicating that previous support may have come from foreign investors.

Official Exchange Control

On top of these spontaneous conservation measures have been laid the official exchange controls of the Republic of Brazil. The many devices by which the government and the Bank of Brazil curbed the exports of foreign exchange are now largely of historical interest. They included suspension of the interest service on the national debt, restriction of foreign exchange payments to imports of goods only, other measures whose rigor varied roughly with the stringency of the existing circumstances.

When exchange was impossible to acquire, translation of the growing services of the company into dividends for shareholders has been equally impossible.

When exchange could be secured, the lowered rate has meant that Brazilian has had to perform approximately twice as much service to achieve the same quantity of U. S. dollars. And it has meant that equipment imported in one period at one exchange rate has for practical purposes to be "recapitalized" in line with the new rate. Replacement reserves have had to be recalculated upward—they are earned in milreis, have to be expended in dollars.

Net result of this tangled web of foreign exchange is that while sales by Brazilian Traction's operating subsidiaries had fully recovered from depression by about 1933, it has not been until 1943 that their earnings, translated into dollars, have returned to the levels of 1929 and 1930.

Investors' Troubles Lessen

Most of the tribulations of the foreign investor in Brazil have lessened substantially in the past three years. Partly through the exchange stabilization program with the United States, partly through ballooning exports at a time when war has restricted imports, the quotation on the cruzeiro has steadied and it has become less difficult to acquire funds through the exchange control that Brazil still exercises.

What of the future?

Inevitably, the purchaser of shares of Brazilian Traction is a combination of investor and speculator. He invests in a system whose operating efficiency and growth possibilities are assured. At the same time he is forced into speculating on international trade and international relationships that have been almost unpredictable in the past.

Looking back on the chaotic 1930's it would seem a rather rash sort of speculation. To assume away the risks involved would be foolhardy, but to adopt an unduly pessimistic approach would be to ignore the fundamental changes that have occurred since the foundation for the last depression was laid shortly after the Great War.

Important Changes

Brazil's steady progress toward a more diversified industrial economy as discussed above is one of the most important of those changes.

Equally important is the attitude of the leading United Nations toward postwar international trade and exchange control.

Fact that two proposals (Keynes' and that of the U. S. treasury) are under discussion has led to exaggeration of the differences between them. John H. Williams, professor of economics at Harvard and vice-president of the Federal Reserve Bank of New York, points out that the similarities of the plans are considerably more significant:

"Both the Keynes and the White (U. S. Treasury) plans give abundant evidence that the experiences of the interwar period have been carefully pondered. . . . Both recognize the necessity of controlling short-term capital movements and to this extent depart from the assumptions of a free exchange system. Both recognize the necessity for international co-operation in determining exchange rates under appropriate circumstances. Both recognize clearly, however, the destructive effects upon international trade, and economic relations generally, of freely flexible exchanges, and have as their chief purpose the creation and maintenance of a system of stable exchange rates."

Exchange Stability Essential

What is significant to the investor in Brazilian Traction is that the achievement of these aims would put an end to future exchange difficulties. Most pessimistic note in the postwar exchange plans is that so far they have sprung almost entirely from Britain and the United States. But any world plan must start with one or two countries and gradually be extended, and it is noteworthy that in essence the exchange stabilization proposals involve a sort of peacetime "lend-lease."

This fact and the memories of the chaos of the 1930's have provided an unprecedentedly favorable background for a new world of international stability. Until stability has been achieved, shares of Brazilian Traction will continue to represent a speculation in international exchange.

Allied with the international problems of Brazilians has been the question of the status of foreign investments in that country.

Nationalistic Policies

For over 13 years, Brazil's economic destinies have been ruled by strongly nationalistic policies. There seems little immediate likelihood that nationalism will cease to be a driving force in Brazil; the nation's leadership in South American affairs is becoming more apparent, her armies and fleets are stronger than ever before, her national pride is great.

It is logical that such a nation should ultimately acquire the ownership of its public utilities. In Canada and the United States, the ownership of producing plant has gradually been acquired from outside investors through the purchase and repatriation of securities.

The time has not yet arrived for that sort of transfer—is not likely to arrive until the fuller development of Brazil's resources narrows down the tremendous fields for investment with which the Brazilian capitalist is surrounded. Only a nation approaching full economic development begins to think of exporting capital, which is entailed in the repatriation of securities.

But the normal evolution toward domestic ownership is not what the foreign holder of investments in Brazil is afraid of. What he fears is expropriation without compensation.

To date, those fears have proved groundless in so far as Brazilian Traction and the Brazilian government have been concerned—a tribute to the good sense of each party.

So long as Brazil is long on natural resources and labor, short on capital, there is every reason for the country to continue its good relations with outside investors. In addition, while President Vargas' nationalism has been intense, it has not been fanatic.

In the final analysis, the safety of international investments will depend on the stability of international trade. As with the problem of exchange, the foreign investor is relying on the development of some lasting, reciprocal agreement similar to those proposed by Lord Keynes and Mr. White for the safety of his investments.

BRAZILIAN'S FINANCIAL RECORD

Year	Price Range High	Price Range Low	Divds. Pd. per share	Property, Plant, etc.	Funded Debt of Subsids.	Total Income*	Profit Available for Divds.*
1929	82	80	$2.00	$196,764,671	$60,184,201	$17,605,179	$16,861,097
1930	53¼	19¾	1.50 + 3% ▲	208,491,315	59,808,622	18,846,076	16,025,339
1931	28½	7⅞	0.50 + 4% ▲	210,625,235	59,456,548	10,281,218	9,389,103
1932	14¾	7¾	0.25 + 4% ▲	211,595,662	59,087,457	6,047,280	5,239,469
1933	19	7	.....	214,163,739	58,701,127	4,218,613	3,428,954
1934	14⅜	7½	.....	219,216,526	58,298,849	4,482,209	3,635,499
1935	10⅞	7⅛	.....	234,371,290	32,877,832	5,541,752	5,210,238
1936	18⅞	9⅜	0.70	244,080,288	32,434,406	6,636,374	6,243,888
1937	30¼	10⅝	1.00	253,895,190	31,902,909	11,587,531	10,886,281
1938	14½	7½	0.50	262,432,185	31,348,531	10,316,205	9,669,681
1939•	12⅝	5⅞	.....	269,624,092	30,746,681	9,777,930	9,166,108
1940•	10⅝	3¾	.....	277,253,080	30,111,127	9,849,025	9,259,807
1941•	8½	5	0.40	285,387,848	29,426,874	13,729,616	13,148,684
1942	14⅜	6⅝	1.00	291,581,042	28,723,712	16,628,465	16,066,089
1943	28¼	14½	.....	.....	....	....	....

• Figures in Can. currency. ▲ Stock dividends. * Parent company.

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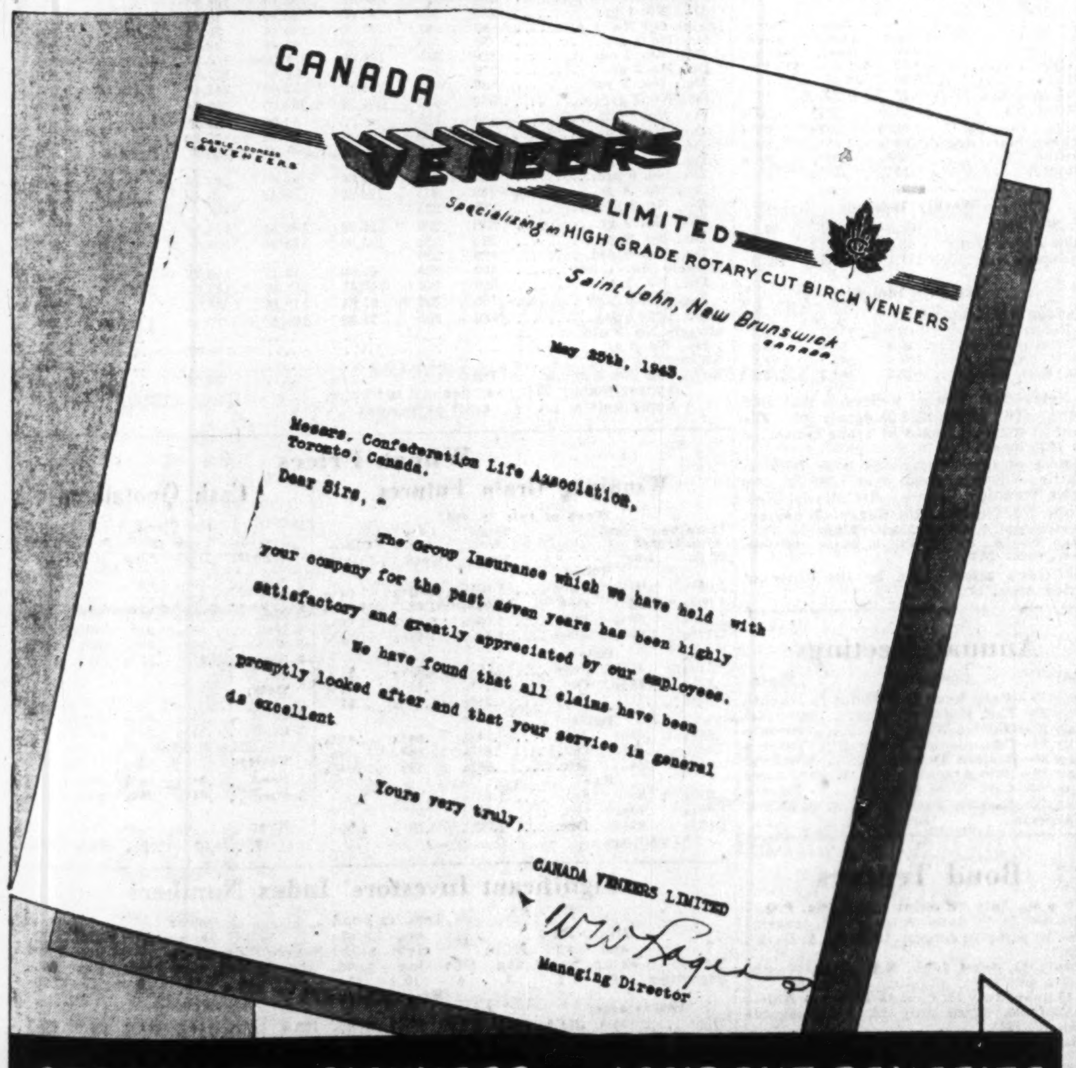
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The Bank Act

Australia Lacks Similar Law

Different Economies Affect Two Banking Systems

In preparation for the revision of the bank act, students of Canadian banking legislation have been studying the system in Australia for ideas which might help to improve or simplify the Canadian situation.

In some quarters it is felt certain features of the Australian system might with advantage be adopted, while certain features in the Canadian act might be dropped.

Basically, the Australian and Canadian systems have much in common. Both are modelled on the original British system and have developed under British civil and economic law and custom. But due to different environment and general economic conditions, certain important differences have arisen.

One of the most important concerns general legislation. In Canada banks are regulated by a Dominion bank act which, according to statute, is revised every 10 years. There is other allied legislation such as the Bank of Canada Act and the Bills of Exchange Act. But the Bank Act itself is the legal authority under which the banks operate. One of its main features is that it limits the charters of banks to a term of 10 years, when they have to be renewed.

In Australia, there has been no special banking legislation although in recent years there has been a greater tendency that way. Generally the banks have come under the company legislation of the different states. There is, however, similar legislation to the Bills of Exchange Act and to the Act establishing the Bank of Canada.

While the banking systems in Canada and Australia have much in common, both being based on the British system, differences in the national economies of the two Dominions have influenced bank operations. One of the greatest differences is in legislation, Canadian banks being regulated by the Bank Act, Australian banks more by general company law. Another is that Australian banks can lend on the security of real estate, a practice prohibited by the Bank Act in Canada.

One of the few laws affecting banks especially in Australia is a clause in the Commonwealth Bank Act (establishing the central bank), that all commercial banks must forward quarterly statements of their condition to the federal government for publication in the government gazette. Banks are also subject to the usual legal requirements of company legislation, such as the publishing of an annual balance sheet. Canadian banks forward monthly statements to the Minister of Finance, which are published in the Canada Gazette.

Some Canadians feel that Canada could with advantage allow her bank legislation to follow more closely along the lines of Australia in treating the banks more as ordinary business corporations.

Decennial Revision

Especially is this the opinion in regard to the decennial revision of the act in Canada which, it is argued by some, is unnecessary and tends to be unsettling. The requirement to renew charters every 10 years is also felt to be an unnecessary hardship once a country and its banking system reach maturity. In other quarters, however, it is held that the wide provisions of the bank act, the decennial revision and renewal of charters gives an opportunity to clear the air and while it may result on occasion in more regulations for the banks, it frequently advances legislation beneficial to the public.

A second important difference, really arising from the legislative situation, is the practice as regards making loans on real estate. Under the Canadian Bank Act, real estate loans are prohibited. In Australia there is no restriction and the banks do lend substantial amounts on mortgage or a pledge of the title deeds. There appears to be nothing in Australia similar to section 88 of the Canadian bank act authorizing the banks to lend on the security of grain, various natural products, etc. Accordingly the sheep raiser or wool-grower gives a bank a general pledge of his real estate as security for advances while his herds are growing. In a similar situation in Canada a farmer would give security on his livestock leaving his land free of encumbrance. The Australian system is not interpreted as meaning that an Australian farmer can get more credit than would be deemed reasonable or that the banker would tie up his funds in a long term loan, the liquidation of which is dependent solely on the sale of real estate. Long term real estate loans in Australia are granted by other corporations much as in Canada. Canadian bankers interviewed by The Financial Post do not favor real estate loans generally as tending to restrict liquidity.

Central Bank Competition

A third difference is the position of the central bank in both countries.

The Bank of Canada does not compete with the commercial banks in loan or deposit business. The Commonwealth Bank of Australia, the central bank there, does not enter into direct competition with the trading banks for loan business. It does, however, lend ordinary borrowers larger amounts after possibilities of borrowing from the trading banks have been exhausted.

Minimum Reserves

Another difference concerns minimum reserves. The Bank Act in Canada requires the chartered banks to keep a reserve of at least 5% of their deposit liabilities in cash or on deposit with the Bank of Canada. Most of the banks as a matter of fact keep a sum nearer 10%. In Australia, at last reports, there was no such regulation, although efforts have been made from time to time to get legislation of this kind enacted. Canadians feel that as the banks themselves keep their reserves at a high level, there is no need for legislation. However, it is recognized that a lav of this kind might serve a useful purpose if the management of an individual bank tended to become lax.

Long Term Credit

Other differences in the banking systems have grown up as the result of custom. One is the practice of accepting fixed deposits and of granting credit for much longer periods in Australia than in Canada. Reason for the difference is found in the varying economies.

Australian Economy

The Australian economy has been built largely on wool and sheep farming. Gold mining, wheat raising and other industries came later. But, generally speaking, ordinary commerce and manufacturing developed more slowly than in Canada.

Wool Growing

The nature of wool growing which entails a considerable time before an investment in merino sheep can bring back returns from the wool clip, has probably had much to do with the length of credit terms in Australia. In Canada banking credit has been restricted to financing a farmer between seedtime and harvest or a merchant from the time he buys his season's stock until he sells it, or until a manufacturer converts his raw products into manufactured goods.

A situation in Canada similar to that of the Australian wool-grower is that of the Canadian livestock farmer. Each after the first year or two should have some revenue coming in which should help him meet his obligations. Accordingly normal bank financing in both cases should be for the season's expenses.

Canadian bankers think short terms in Canada are more desirable because they enable banks to keep liquid to meet demands which may be made by their depositors. Borrowers, however, have sometimes felt longer term loans would be desirable as they would not tend to unsettle their operations.

Untrained Staff Seen Factor in Fire Hazard

Lack of Vigilance and Disregard of Company Rules Have Serious Results in Industry — Ontario Losses Down in Second Quarter

Despite the efforts of company executives and employees and fire prevention officials to control fire so it will interfere as little as possible with the production of war supplies, fire losses all over the North American continent are estimated to be increasing.

One bright spot is Ontario where preliminary figures for the second quarter of 1943 show a decrease in the total monetary loss from $779,550 to $620,925. In the first quarter, total losses were about 5% higher than last year so officials say it is too early yet to say whether the decline in the second quarter shows a change in the trend.

Much stress is being put on the need of instructing industrial personnel in the need of fire prevention and the use of fire fighting equipment. Installation of proper fire fighting facilities is being urged on executives.

In both the United States and Canada, the large proportion of new and untrained help in industry is regarded as increasing the fire hazard. Many of these, because of their youth or lack of experience do not realize the ever-present danger of fire in industry and particularly in certain operations. Another factor is the lack of proper fire-fighting facilities.

A number of actual instances have come to light recently showing the need of training new personnel to be vigilant against fire.

Disobeyed Rules

In a large building, used chiefly for assembling special dry batteries, a paper tube cutting machine had broken down and a welder and his helper were sent to repair it. One of the helper's principal duties is to stand on guard and see that no sparks go astray and ignite anything nearby. On this occasion, however, the helper was called away and, being a new man, contrary to the company rules, he went. A few sparks ignited a pile of pitch lined tubes nearby. Because of the mask he was wearing, the welder did not notice the fire until his pants were blazing. Before the fire was brought under control the entire stock had been ruined.

Disregarded Smoke

Another example showed the necessity of immediately investigating any suspicion of fire. In a large three-story building, not sprinklered, housing a ladies' wearing apparel shop, almost an hour before closing time, employees noticed smoke in the building. It was disregarded as it was believed it came from a coal furnace. The owner of the store and the manager were out of town. The smoke grew denser but nobody paid any attention. But when closing time came and the lights were being put out, a red glow was noticed at the rear of the first floor. The fire had got a good start and was raging wildly. The loss was heavy. Investigation placed the blame on defective connection in a junction box of flexible cable wiring.

In another case, in a hospital of old construction, lacking adequate protection, fire broke out. In this case the hospital staff acted quickly and efficiently but were handicapped by lack of equipment, and the construction of the building. Some 1,200 patients were evacuated but two of the staff lost their lives.

Accordingly training of staff in fire prevention and fire-fighting methods is being urged by fire prevention officers as a special need in time of war.

More Sterling Held By Bank

Higher holdings of sterling exchange and of government bonds were the main factors in bringing about an increase of $36 millions in total assets of the Bank of Canada in the week ended July 7.

The rise in sterling represents funds taken over temporarily from the Foreign Exchange Control Board received for shipments of grain, etc., through private channels.

	July 7 1943	June 30 1943
	$000	
Liabilities		
Capital paid-up	5,000	5,000
Notes in circulation	765,503	758,406
Rest fund	6,473	6,473
Deposits: Dominion	112,456	90,061
Banks	306,838	301,113
Other	22,415	19,165
Total deposits	441,709	410,339
All other assets	14,785	17,470
Total liabs.	1,233,470	1,197,689
Assets		
In Sterling and U. S.	65,477	47,227
Subsid. coin	168	157
Investments:		
Dom. govt. sh.	825,127	816,650
Other Dom. govt.	322,734	312,989
Total invest.	1,147,861	1,129,639
Premises	2,100	2,100
All other assets	17,864	18,566
Total assets	1,233,470	1,197,689

Who said,
"WOMEN DON'T KNOW BEANS ABOUT BUSINESS"?
Women generally hold the family purse strings because they've demonstrated time and again that they recognize and appreciate value. They know their business.
Your wife, for instance, probably has a far better idea of the value of your possessions than you yourself — and the amount of insurance necessary to protect you both from financial loss arising from fires, burglaries and the myriad other hazards which threaten the security of our daily lives. And she's a very interested and concerned partner if accident or sickness should strike you.
May we suggest you talk this over with her? Then ask your Norwich Union Agent about the sound protection of Norwich Union Insurance.
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Fire Insurance Society, Limited
Head Office for Canada
12 Wellington St., East, Toronto
E. M. WHITLEY, *General Manager for Canada.*

The HEIR APPARENT

MEET THE HEIR APPARENT to the thrilling new world of to-morrow . . . the world he will help to build.
Already he's learning to stand on his own feet, a young man with ideas; self-reliant, courageous, ready to carve out a future by his own personal efforts.
Many of these young men of to-morrow —future leaders—already have accounts of their own at the Royal Bank. They have spare-time jobs, work hard and save some of their money for the day when opportunity will beckon. Theirs is the spirit that has made this country great. It is the spirit that will build a Canada worthy of her future.
What is PRIVATE ENTERPRISE? It is the natural desire to make your own way, as far as your ability will take you; an instinct that has brought to this continent the highest standard of life enjoyed by any people on earth. It is the spirit of democracy on the march . . .
THE ROYAL BANK OF CANADA

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JULY 12

Range 1943 High	Low	Div Rate $	Jly10 Y'ld %		Sales	Last July 5	Week end. July 12 H	L	Cl'se
4.35	.59	*	...	Abitibi	80426	1.40	4.25	1.45	4.00
26¼	5	*	...	Do. pref. 6%	43243	13¾	26¼	13¾	26¼
47	12½	.	...	Do. pref. 7%	235	32	47	34	47
113	110	7	6.2	Agnew Surp. pf	10	113	113	113	113
10¼	8	.	...	Algoma Steel	945	10	10¼	10	10¼
87	81	5	5.8	Do. pref.	106	85	87	86	87
102¾	100	5	4.9	Alum. of Can. p	568	101	101¼	101¼	101¾
133¼	105½	8+2	8.4	Aluminium, c.	438	118	120½	118	118
25½	21¼	1.40	5.4	Asbestos	1238	24	25½	25	25½
20	10	1.25	6.8	Assoc. Brew, c.	95	18½	18½	18	18½
161	147	6	3.8	Bk. Montreal	76	160	160	159	159
259	223	10	3.9	Bk. N. Scotia	47	253	252½	251	251
3.00	.85	.	...	Barker's Brd, c	100	1.75	2.00	2.00	2.00
29	21	.	...	Do. pref.	10	28	28	28	28
15¼	12	1	7.5	Bathurst Pr.	1251	13	13¾	12	13¾
3¾	1½	.	...	Do. (B)	1155	2½	3¾	3½	3½
9	6½	.80	...	Beath & Sons	60	9	8	8	8
11½	9½	.	...	Beauharnois	40	10½	10½	10½	10½
86	80	4+2	7	Belding Cort. c	25	85	86	85	86
155	140¾	8	5.3	Bell Telephone	448	151½	152	150	151
7	4¾	.	...	Blue Ribbon, c.	5	7	7	7	7
28¼	14½	.75*	...	Brazilian Tr.	9486	24¾	26¾	25	26
7¾	5	.50+.10	9	Brew & Distil.	85	6¼	6¾	6½	6½
22¼	17¼	1	4.6	Brit. Amer. Oil	4144	21¼	21¾	21¼	21¾
22	16	.75	...	B. C. Packers	6231	19	22	19	22
28¼	23	2	7.2	B. C. Power A.	270	27¾	28¼	28	28¼
5¼	2	.	...	Do. (B)	750	3	3¾	3½	3¾
10¾	5¼	.40	3.7	Bruck S. Mills	10	8	10¾	10¾	10¾
15½	13	.60	3.9	Building Prod.	1655	15	15½	14¾	15½
11½	9½	.60	5.4	Burlington St'l	60	11½	11½	11	11
6½	4	†.25	...	Caldwell L, c	25	5	6½	6½	6½
103¾	99¾	6	5.8	Calgary Pwr pf	10	103¾	103¾	103¾	103¾
6¼	2¼	.10	...	Canada Bread c	310	5½	6	5¾	6
104	102	6	5.8	Do. pref.	10	102	104	104	104
10¾	6	.10*	..	Canada Bud	10	10½	9	9	9
8¾	4¼	.	...	Canada Cement	2480	8	8	7½	8
106	92	5	4.7	Do. pref.	230	104½	106	104½	105
20¼	17¾	.80	4	C. & D. Sugar	1958	19¾	19¾	19½	19¾
27	20	1.50	5.8	Can. Forg. (A)	2750	24	27	24	26¼
43	20	♦1.50	..	Do. (B)	20	43	40	40	40
40	36½	2+.50	6.3	Can. Malting	55	40	39½	39½	39½
10½	5¼	.60	6	Can. Nor. Pr.	805	10	10½	10	10½
95	85	7	7.4	Do. pref.	5	95	95	95	95
93	79½	4	4.4	Can. Packers	5	90	90	90	90
150	125	8	5.5	Can. Perman.	19	145	145	145	145
10	9	.50	...	Can. Starch, c.	25	9	10	10	10
14½	8¼	.	...	Can. Steamsh's.	3142	12½	14	12½	13¼
38	21	2.50	6.9	Do. pref.	415	35½	36	35	35½
8¼	6½	.40+.10	6	Can. Vinegars	40	8	8½	8½	8½
65	59	4	6.2	Can W Cable A	75	61	65	62½	65
110	106	6.50	5.9	Do. pref.	25	106	109½	109	109½
6	2½	.	...	Can. Bakeries c	595	4¾	5½	4¾	5¾
86½	66	5	5.8	Do. pref.	40	85	86½	85	86
140	129	6	4.4	Can. Bk. Com.	66	136½	136	135	135
3.75	1.30	.	...	Can. Breweries	2085	3.50	3.75	3.50	3.63
39¾	27¾	3.40	8.6	Do. pref.	555	39	39¾	38	39¾
35	32	1.50+.50	6	Can. Bronze c.	315	32½	32½	32½	32½
108	106	5	4.7	Do. pref.	20	108	108	107½	107½
9¾	6½	.50	5.2	Can. Canners	575	9½	9¾	9½	9¾
13¾	10½	.60+.20■	6	Do. 2nd pfd.	1010	13¼	13¾	13¼	13¼
10½	7½	.	...	Can. Car & F'y	940	9½	9¾	9½	9¾
30¾	27¾	2.10	7	Do. pref.	665	29½	29¾	29¾	29¾
37	27½	1+1	5.5	Can. Celanese	495	36½	37	35½	36
139	132	7+.94■	5.8	Do. pref.	56	137½	137½	137	137
33	17½	2	6.6	Can. Convert.	140	30½	30½	30	30
125	120	6	4.8	Can. Cottons pf.	20	125	125	124	124
19	15	1	...	Can. Dredge	55	18	18	18	18
30½	22	2	6.6	Can. Food Prod.	5	30	30½	30½	30½
5¾	3¾	.10*	...	Can. Ind. Alc.	740	5¾	5½	5½	5½
5½	3	.10*	...	Do. (B)	145	5	5½	5	5
169	148	2.50*	...	Can. Indust. B	39	162	164	161	164
167	160	7	4.2	Do. pref.	30	165	167	167	167
53	37	2	3.8	Can. Int. I. Tr. p	10	50	53	53	53
16	14½	1	6.7	Can. Lt. & Pr.	2	15½	15	15	15
26	10	.	...	Can. Locomo.	255	24	23	22	23
3¼	1	.04	...	Can. Marconi	700	2½	2¾	2½	2½
23¾	15	1+.20	5	Can. Oil, c	1480	22	23¾	22½	23¾
12¾	7¾	.	...	Can. Pacific	25792	11¾	12½	11½	12½
1.15	.20	.	...	C. Pr. & Pa. In.	163	.80	.75	.50	.75
10½	1¾	.	...	Do. pref.	775	9½	9¾	9¾	9½
7¼	3¾	.	...	Can. Vickers	305	6½	7¼	7	7
77	25½	.	...	Do. pref.	35	61	61	60	60
2.75	1.10	.	...	Capital Estates	100	2.50	2.75	2.75	2.75
13¾	12	.75	...	Catelli Food, pf	75	13½	13½	13½	13½
4¾	1	.	...	Ch. Gai Wines.	200	4¾	4¾	4½	4¾
.47	.10	.	...	Chem. Research	3630	.29	.28	.25	.27
.45	.15	.	...	City Gas & El.	600	.30	.25	.25	.25
.10	.03	.	...	Claude Neon	225	.07	.10	.10	.10
1.40	1.10	.12	...	Coast Brew	4130	1.36	1.40	1.35	1.40
13¾	9½	.25*	...	Cockshutt Plow	438	12½	12¾	12½	12¾
3¼	2½	.15	...	Comm. Alcohol	1880	2¾	2¾	2½	2¾
6¾	6	.40	6.4	Do. pref.	75	6¾	6¾	6¼	6¾
4	3	.25*	...	Conduits Nat.	35	4	4	4	4
14	9½	.80	5.9	Cons. Bakeries	12	13¾	14	13½	14
.45	.05	.	...	Cons. Div. Sec.	22	.30	.20	.20	.20
10	6	.75	7½	Do. pref.	5	9½	10	10	10
6½	3	.	...	Cons. Paper	42885	5½	6½	5	6
80	78	4	...	Cons. Sand, pf.	115	78	78	78	78
45½	37½	1+1.50	5¼	Cons. Smelters.	799	44	44	43½	44
131	121	8	6.1	Consumers' Gas	77	130	131	129	130
28¼	27	2	7.2	Consum. Glass.	270	28	28	27½	28
91	70	7+7♦	8.7	Corr. P. Box p.	30	78	81½	80	80
25	22	1.20+.15	5¼	Cosmos Imp.	180	24	24	23½	23½
50¼	37	.	...	Cres. Cream, p.	17	48	50	49	49
29	22	2	6.9	Crown Cork	30	27	29	29	29
38½	33	3	8.1	Crow's N. Coal.	10	38¼	37	37	37
40	24	†1.25	..	Dairy Corp. pf.	12	40	38	38	38
15½	10	1+.15	7½	David & Fre. A	5	15½	15½	15½	15½
6½	5	.	...	De Havilland, c	25	5	5½	5½	5½
36	25¾	2.22	6.3	Distill-Seagram	1330	34½	36	34½	35
107	95¾	5	4.7	Do. pref.	40	103½	107	107	107
167	142½	8	4.8	Dom. Bank	24	166	167	165	166
30¾	24¾	1.20	4.1	Dom. Bridge	465	29½	29½	28½	28¾
16½	10	.	...	Dom. Coal, pf.	30	14½	14½	14	14½
26½	20½	1+.35	5.4	Dom. Found. c.	97	24½	25	24½	25
125	120	5*	4.2	Dom. Glass	5	125	120	120	120
155	152	7	4.6	Do. pref.	5	154	154	154	154
28	24	1.20+.40	6	Dom. Oilcloth	575	27½	27½	27½	27½
32	22	1.50*	..	Dom. Scot. Inv.	25	30	32	32	32
2.75	1.50	.	...	Dom. Square	10	2.75	2.75	2.75	2.75
10¾	8	.	...	Dom. St. & C.B.	3010	9¾	9¾	9¾	9¾
10½	5½	.20	...	Dom. Stores	240	10¾	10½	10	10½
8¼	6	.	...	Dom. Tar & Ch.	3771	8¼	8¾	8	8¼
101½	90¾	5.50	5.4	Do. pref.	10	101½	101½	101½	101½
81	74	5	6.5	Dom. Textile	340	77¾	77¾	77	77
155	151	7	4.6	Do. pref.	20	155	151	151	151
8	2	.	...	Dom. Woollens.	2853	7½	8	7¾	8
14½	8½	.60	4.3	Do. pref.	260	13½	14	13½	14
6¾	3¾	.	...	Donnacona P.	2491	5¾	6¾	5¾	6¾
8¼	5¼	.	...	Dryden Paper	2745	8¼	8¼	7¾	8¼
35	14	*	...	East Dairies pf.	180	29	30	28	29
6	2¾	*	...	Easy Washing	205	5½	6	5½	5½
30	20	1.27½	..	Economic Inv.	165	29	30	30	30
8¾	5½	.	...	Electrolux	200	8¼	8¾	8½	8¾
7	3	.	...	Enam. & Heat.	195	5½	5¾	5½	5¾
6¼	4¾	.15	...	Equitable Life	20	6	6¼	6¼	6¼
4¾	2¾	.	...	Fairchild Air	350	4	4	3¾	4
*27½	21	1.50+.25	6¼	Fanny Farmer	930	25½	27½	26	27½
6¼	3¼	.25†	...	Fleet Aircraft	295	5½	5½	4¾	5
23¾	19½	1	4.3	Ford Motor A.	1801	23	23¾	22¾	23¼
16	14	1.40	9.3	Foundation Co.	1250	15¼	15¼	15	15
19	12½	*	...	Fraser Cos.	20	17¾	19	17¾	19
19¾	12½	*	...	Do. Vot. Tr.	3846	18	19¾	18	19½
1.00	1.00	.	...	Freiman, c	3	1.00	1.00	1.00	1.00
11¼	7¼	.60	5.4	Gatineau Pwr.	535	11	11¼	10½	10¾
95	77	5	5.4	Do. pref.	70	90	92	92	92
97	86	5.50	5.7	Do. 5½% pref.	10	97	97	96½	97
13¼	7¼	.25*	...	Gen. St. Wares.	2450	12¾	12¼	12¼	12¼
108	94	7+.38■	7	Do. pref.	95	106¾	108	107½	108
95	62	2.50+2.50	5	Goodyear Tire	85	86	95	95	95
55¼	51¼	2.50	4.6	Do. pref.	112	55½	55	54	55
6¼	3¾	.	...	Gt. Lakes Pap.	10450	4	6¼	3	6¼
22	16	1.50	...	Do. pref.	575	19	22	19	22
6¼	3¼	.	...	Do. Vot. tr. c.	3906	4¾	6¼	4¼	6¼
22	14¾	1.50	...	Do. Vot. tr. p.	1005	21	22	20	21¾
5½	3¼	*	...	Gt. W. Saddlery	40	5½	5½	5½	5½
7¼	4¼	*	...	Gurd, Chas. c.	375	7¼	7¼	7	7¼
7¾	4¼	*	...	Gypsum, Lime.	1280	7	7¼	7	7¼
8	4¾	.	...	Ham. Bridge	2090	7¼	7¼	6¾	6¾
34	33	2	5.9	Ham. Cot. pf.	100	33	34	34	34
4¾	2½	.20	...	Harding Carpet	75	4½	4½	4½	4½
1.10	.30	.	...	Hillcrest Coll.	500	1.00	.65	.65	.65
16	14	1	6.7	Hinde & Dauch	200	14½	15	15	15
15¾	12	.	...	H. Smith Pap.	1180	15¼	15¾	15	15¼
105	98	6	5.7	Do. pref.	104	103½	105	105	105
9½	8	.50	...	Humberstone S.	110	9	9½	8½	9½
16¼	7¾	.50	...	Hunts (A)	80	12¾	12¾	12¾	12¾
12¾	7	.50	...	Do. (B)	85	12¾	12¾	12¾	12¾
65	55	4	6.4	Huron & E. Mt.	10	62	62	62	62
5¾	1	.	...	Hydro Electric.	50	4¼	4¼	4¼	4¼
17½	11¾	.50	3	Imperial Oil	59330	15¼	17½	15¾	16¾
12¼	10	.40+.15	5	Imperial Tob.	1231	11¾	11¾	11¾	11¾
7½	6¼	6%	...	Do. pref.	630	7½	7½	7½	7½
9	8	.50+.10	7¼	Imp. Varnish, c	10	8½	8½	8½	8½
20	13	♦.25	...	Indust Accept c	190	20	20	19½	20
125	125	8	6.4	Inter'c Coal, pf.	10	125	125	125	125
13	10	.80	6.2	Inter. Bronze c.	25	13	13	13	13
23	18¼	1.50	6.5	Do. pref.	60	22¾	23	22¾	23
16¾	10½	.	...	Int. Metal Ind.	695	16¾	16¾	16	16¾
99	90	6	6.3	Do. pref.	40	95	95	95	95
97	90	6	6.3	Do. pref. A	5	94	95	95	95
39¾	32	2	5.5	Int. Nickel	1779	36½	36¾	36¼	36½
23¼	17	1	4.3	Int. Pete.	15540	22¼	23¼	22¼	23
15	6	.	...	Int. Power	37	15	14	14	14
109	95	7	6.4	Do. pref.	25	107½	109	108½	108½
13¼	3¼	*	...	Int. Util. (A)	111	12¼	13¼	12	13
.75	.10	.	...	Do. (B)	4150	.30	.35	.30	.30
11¼	11	.68	6.1	Jam. Pub. Ser.	60	11	11	11	11
102	101	7	6.9	Do. pref.	5	101	101	101	101
12	10	.	...	Kelvinator	175	12	12	12	12
18¾	10	.	...	L. St. John Pr.	741	14	17	13¾	16¾
26½	19	1.20	4.6	L. of Woods, c.	435	25	25¾	25	25¼
15	13	.70+.30	6¼	Lang, J. A.	275	15	15	14½	15
30	24	3	...	Langley's, pfd.	5	27	26	26	26
12¼	9¾	.80	6.7	Laura Secord	610	11¼	12¼	11¾	12¼
11	8	*	...	Legare, pref.	60	10¼	10¾	10¼	10¾
7½	7	.	...	Lindsay, C. W. c	25	7½	7½	7½	7½
22	19¾	1+.25	5.7	Loblaw (A)	350	22	22	21¾	22
20¾	17¼	1+.25	6	Do. (B)	165	20¼	20¾	20¼	20¾
19¼	13	1	...	Maclaren Pr.	430	18½	19	18½	19
9¼	4¼	*	...	Maple Leaf M.	2875	7¾	8¾	7¾	8
17	10¼	*	...	Do. pref.	310	15¾	15¾	15½	15¾
9¾	5¼	.	...	Massey-Harris	2580	9½	9¼	8¾	9¼
20	14½	1.25	...	Do. pref.	3400	19½	19¾	19¾	19¾
9¾	6	♦.15	...	McColl Fron.	16198	8½	9¾	8¾	9½
102	92½	6	5.9	Do. pref.	20	101	102	102	102
7	5	.60	9.2	Melchers, pref.	12	6¾	6½	6½	6½
9¾	4	.	...	Mercury Mills	2060	8	9¾	8	9¾
19¾	16½	1*	...	Mitchell, Robt.	570	18	18½	18	18½
16¼	15	1.20	7.4	Mod. Contain. c	10	15	16¼	16¼	16¼
80	65	7	...	Monarch Knit p	40	75	75	72	75
.25	.20	.	...	Mont. Is. Pr.	10	.20	.25	.25	.25
27½	24	1.50	5.8	Mont. L. & Pr.	1942	26	26½	25¾	25¾
50¼	48¾	3%	...	Do. Notes	3	50¼	50¼	50¼	50¼
30	23	*1.82	..	Montreal Tele.	50	27	30	30	30
33¼	22	.	...	Montreal Trams	35	30	30	30	30
48	44	2.22+.66¼	6	Moore Corp. c	180	47¼	48	47¾	47¾
190	182	7	3.7	Do. pref. A.	10	187	189	189	189
1.00	.25	.	...	Muirheads, c	1657	.50	1.00	.60	1.00
12¼	11	.80	6.7	Murphy Paint, c	140	11	12½	11½	11½
33¾	26	2	6	Nat. Breweries.	1270	33¼	33½	33	33
40	36½	1.75	4.4	Do. pref.	100	39½	40	40	40
9	6	.40	...	Nat. Grocers	295	8¾	8¾	8¾	8¾
20	12	.	...	N. Sew. Pipe A	50	19	20	20	20
61¼	38	2+1	5	Nat. Steel Car.	1442	61¼	61½	59¾	61
156	125	8	5.2	National Tr.	50	156	156	156	156
7	3¼	.	...	Noorduyn Av.	50	5¼	5¼	5¼	5¼
1.30	.90	*	...	North St Oil c	180	1.25	1.30	1.25	1.30
7	6	.	...	Nor. Can. Mtge.	10	6	6¼	6¼	6¼
15	10	.	...	Nor. Trusts	10	10	12	12	12
25¼	22½	1	4	Ogilvie Flour	355	24½	24¾	24	24¾
161	153	7	4.3	Do. pref.	10	160	161	161	161
1.50	1.00	.	...	Ont. Silknit c.	5	1.00	1.50	1.50	1.50
17½	10	1	6.2	Ont. Steel, c	5	13	16	16	16
2.12	.50	*	...	Orange Crush.	200	2.00	2.12	2.00	2.00
4¼	1½	*	...	Do. pref.	100	4½	4½	4	4
6	4	.	...	Ott. Car Air	26	5¾	6	5¾	6
25	20	2+.20	9	Ottawa El. Rly.	7	24	24	24	24
8¼	6½	.60	7.5	Ott. L. H. & Pr.	120	8¼	8¼	8	8
87	80	5	5.7	Do. pref.	10	85	87	87	87
99¼	88¼	5	5	Page Hersey	50	99	99½	99	99½
9½	4¾	.	...	Pantepec Oil	130	7½	9½	8	9½
55½	46	2*	...	Paton Mfg., c.	25	55	55½	55½	55½
55	43½	3	5.4	Penmans, c	20	52	55	55	55
13¼	12	1	7.7	Photo Eng.	5	13	13	13	13
10¼	6	.30	...	Power Corp.	1576	10¼	10¼	9¾	10
97	85	6	6.2	Do. pref.	20	95	97	95½	96
7¾	5	.25	...	Pressed Metals.	50	7½	7	7	7
18	9¼	.	...	Price Bros.	3770	15¾	18	15¾	17¾
83	60	5.50	6.8	Do. pref.	460	81	81	81	81
16	13	1	6.6	Quebec Power	235	15¼	15¼	15	15¼
10	6	.	...	Regent Knit. c.	580	9½	10	9¾	10
95	85	6.50	7.3	Reliance Gr. pf	30	89	88¾	88¾	88¾
25	22	2	8	River S. Mill	110	24½	25	24	25
10¼	7¼	.60	6.3	Rolland Pap. c.	25	10	9½	9½	9½
142	132	6	4.3	Royal Bank	42	140	140	139	139
184	152	7	3.8	Russell Indust p	50	175	184	180	184
108	105	5.50	5.2	Saguenay Pr. p	30	107	106½	106½	106½
17	9	.	...	Sarnia Br. (A)	25	16	17	17	17
19½	16½	.90	4.9	Shawinigan Pr.	1632	18	18¾	18	18½
16	13	.60	3.8	Sher. Wms. c.	19	16	16	15¾	15¾
10	9	.40	4.1	Silverwoods	153	10	9¾	9¾	9¾
9	8	.40	4.6	Do. pref.	128	8½	8½	8½	8½
10	7½	.60+.15	7½	Simon & Sons c	10	10	10	10	10
20	10	.	...	Simpson, A	50	19	19½	19½	19½
12¼	3	.	...	Do. (B)	50	12½	12½	12	12
102¾	87	6.50+2♦	6¼	Do. pref.	35	101¾	102	101½	102
12	10	.80	...	So. Can. Pr.	60	10½	11	11	11
106	102	6	5.9	Do. pref.	26	103	103	102	102
3¼	1	.	...	St. Law. Corp.	8365	2¼	3½	2¼	3½
15¾	11¼	1	6.3	Do. (A)	1905	13¾	15¾	13¾	15¼
33	24	1.40+.50	6	St. Law. Fl. c.	155	30	33	32	33
44½	32¼	3	7	St. Law. Pap. p	1280	39½	44½	40½	44½
19	10	1.25*	..	Stand. Chem.	250	19	19	19	19
3	1	.	...	St Pav & Mat c	4040	2¼	2¾	2¼	2¾
10	7	.62½	...	Do. pref.	540	9½	9½	9½	9½
5	4¼	.40	8.3	Stand. Radio	600	5	4¾	4¾	4¾
73	59¼	3	4.5	Steel of Canada	172	67½	67½	66¾	67½
75¼	66	3	4	Do. pref.	200	74½	75	75	75
12¾	10½	.80	6.4	Tamblyn, c	70	12½	12¾	12½	12½
53	53	2.50	4.7	Do. pref.	30	52½	53	53	53
8¼	2½	.	...	Thrift Stores	40	8	8	8	8
25	17	*	...	Do. pref.	20	25	22	22	22
30	23½	.	...	Tor. Elevators	320	27½	28½	28	28
55	50½	2.62½	4.7	Do. pref.	75	52½	55	55	55
76½	68	4	5.2	Tor. Gen. Tr.	6	76	76½	76½	76½
86	68	5	6.3	Tor. Mtge.	10	80	79	79	79
10½	5	.	...	Twin City	100	9½	9	9	9
8¾	6	.	...	Union Gas	3100	8	8¼	7¾	8¼
26	22	1.50	5.8	United Corp. A.	125	25	26	25	26
16	8½	.30	...	Do. (B)	1230	14½	16	13¾	15½
2.50	1.05	.10*	...	United Distill.	600	2.40	2.25	2.25	2.25
37	32½	3	9	United Fuel, pf.	80	33	33	33	33
5	3½	.	...	Do. B pref.	210	5	5	5	5
16	12½	1	6.7	United Grain A	30	15¼	15¼	15¼	15¼
8¼	6	*	...	United Secs.	40	8	8	8	8
6	4¼	.	...	United Steel	1035	5¼	5¾	5¼	5¾
58	47	4	7.6	Wabasso Cot.	235	53	53	53	53
56¾	47	4	7.2	Walker-Good.	150	56¼	56¾	56	56
21¼	18¾	1	4.7	Do. pref.	693	21	21¼	21	21¼
2.00	1.25	.05	...	Walkerville Br.	250	1.70	1.75	1.75	1.75
8	3	*	...	West C. Flour	50	6	6	6	6
91	40	.	...	Do. pref.	110	86	84	82½	83½
80	55	3+2	6.2	West Grocers	10	75	80	80	80
122	117	7	5.7	Do. pref.	100	120	122	122	122
14	7¼	♦.50	...	Western Steel	155	13	14	14	14
16¾	12	.80	4.8	Weston, George	2590	15	16¾	14¾	16½
101	94	5	4.9	Do. pref.	100	100	101	101	101
7¾	2¼	.	...	Winnipeg El. A.	18939	6¼	7½	6½	7¾
62	20	.	...	Do. pref.	1021	55½	62	55½	62
8	6	.40	5	York Knitting	10	6	8	8	8
15½	13	.80+.20	6½	Zellers, c	125	15½	15½	15	15½

■ Participating. ♦ Paid in 1942.
* Interim dividends paid in 1943.
▲ On arrears. † Initial.
* Net after corporate income tax.

Mining Stocks

Week Ending July 12

Range 1943 High	Low	Div. Rate $	July 10 Yield %	Company	Sales	Last July 5	Week Ending July 12 High	Low	Close
.20	.05	....	....	Aldermac	26,850	.17	.17	.16	.17
4.40	3.00	.20	....	Anglo-Hur.	1,625	4.40	3.75	3.75	3.75
.55	.20	....	....	Aquarius	3,100	.53	.55	.50	.55
.31	.22	....	....	Arjon Gold	34,600	.25½	.26	.24½	.26
.53	.40	....	....	Armistice	1,500	.45	.43½	.42	.43½
.05½	.02	....	....	Ashley	500	.02	.05½	.05½	.05½
.12½	.02½	....	....	Astoria Que.	75,775	.08½	.10	.08	.09
2.87	1.35	.16	6	Aunor Gold	35,999	2.61	2.87	2.50	2.79
.18½	.08¾	....	....	Bagamac	11,200	.17½	.17	.14½	.15
.08	.04	....	....	Bankfield	10,000	.07½	.08	.07½	.07½
.12	.07	....	....	Base Metals	3,700	.10	.10	.09½	.09½
.08½	.04½	....	....	Bayonne	200	.05	.04½	.04½	.04½
.49½	.10	....	....	Bear Expl.	54,000	.38	.41½	.35	.40½
1.35	.69	†.04	....	Beattie Gold	13,150	1.01	1.08	1.00	1.08
.04	.02½	....	....	Beaufor	200	.03	.03	.03	.03
.37	.09½	....	....	Bidgood	177,929	.32	.37	.31	.37
.12	.08	....	....	Bobjo	18,100	.10½	.10½	.09½	.09½
.19½	.09½	....	....	Bonetal	13,000	.15½	.16	.15	.15
.03	.01	....	....	Bouscadillac	200	.02½	.01½	.01½	.01½
10.25	7.40	1.20	*12	Bralorne	475	10.25	10.25	9.90	9.95
.01½	.00½	....	....	Brett Treth	1,500	.00½	.01	.01	.01
.62	.46	†.06	....	Broulan	17,450	.51	.54	.50½	.53
4.00	1.60	†.10	....	Buffalo Ank.	6,078	3.25	4.00	2.85	3.85
.09	.03½	....	....	Buff. Can.	17,500	.07	.07	.06½	.06½
17.00	11.75	....	....	Bulolo Gold	625	17.00	17.00	17.00	17.00
.03	.01½	....	....	Bunker Hill	1,000	.01½	.02¾	.02½	.02¾
.56	.35	†.02	....	Can. Mal.	500	.46	.46½	.46½	.46½
1.35	.82	†.06	....	Cariboo	4,425	1.00	1.05	1.00	1.05
.90	.54	....	....	Castle Tre.	100	.85	.80	.80	.80
.06	.02	....	....	Cen. Cad.	7,200	.04	.04	.03½	.04
1.34	1.00	.12	9.8	Cen. Pat.	1,950	1.24	1.22	1.80	1.22
.11	.07½	....	....	Cen. Por.	4,000	.08	.08	.06½	.06½
1.47	.65	†.03	....	Chesterville	33,085	1.33	1.47	1.32	1.47
2.65	1.75	....	....	Chromium	205	2.50	2.45	2.00	2.00
1.80	1.20	....	....	Coast Cop.	700	1.40	1.35	1.35	1.35
1.18	.75	†.06	....	Cochenour	21,900	1.09	1.18	1.08	1.17
1.20	.80	†.06	....	Coniaurum	1,350	1.05	1.08	1.05	1.08
.04¾	.03	....	....	Denison	5,000	.04	.04	.03½	.03½
25.50	18.75	1.60	6.6	Dome Mines	72	24.25	24.37	23.50	23.50
.10	.04	....	....	Duquesne	1,000	.07	.07	.06½	.06½
1.45	1.09	....	....	East Mal.	46,300	1.32	1.35	1.25	1.35
1.25	.80	....	....	Eldorado	2,650	.99	1.00	.93	.97
4.80	3.10	†.07½	....	Falconbridge	1,115	4.60	4.50	4.40	4.50
.05½	.02½	....	....	Federal	2,500	.04¾	.05	.04½	.04¾
.40	.10	....	....	Forty-Four	1,182	.35	.40	.35	.35
.32	.18	....	....	Francoeur	6,500	.27½	.27	.26	.27
.04½	.03	....	....	Gillies Lake	7,700	.04	.04½	.04	.04½
.04½	.01	....	....	Glenora	3,250	.02	.03½	.02½	.03½
.29½	.12½	....	....	God's Lake	25,950	.18½	.20	.18	.18½
.20	.12	....	....	Gold Belt	19,000	.15	.17	.14	.17
.03½	.02	....	....	Gold Eagle	2,500	.02½	.02½	.02	.02½
.06½	.03	....	....	Golden Gate	2,000	.05	.05	.04½	.04½
.02¾	.02	....	....	Graham	1,000	.02½	.02¾	.02¾	.02¾
.07	.02½	....	....	Grull W.	15,000	.03	.03½	.02½	.03
.17	.11½	....	....	Gunnar G.	2,200	.13	.15	.13	.15
.07	.01	....	....	Halcrow	600	.04½	.04½	.04½	.04½
.07½	.04	....	....	Halliwell G.	38,650	.05½	.05½	.05	.05½
3.55	2.50	.40	....	Hallnor	510	3.00	2.75	2.75	2.75
.58	.40	†.03	....	Hard Rock	7,100	.51	.52	.49	.52
.03½	.02	....	....	Harker	4,100	.03½	.03½	.03½	.03½
.48	.37	.08	....	Hedley Mas.	1,000	.42	.44	.44	.44
11.12	8.50	.65	6.4	Hollinger	1,197	10.50	10.50	10.00	10.25
.23	.17	....	....	Howey Gold	5,724	.20	.23	.22	.22
32.50	26.50	2	6.6	Hudson Bay	945	30.75	31.00	30.00	31.00
.35	.26	....	....	Inspiration	500	.30½	.32	.32	.32
.90	.55	†.05	....	Island	900	.73	.75	.60	.75
.28	.12	....	....	Jason Mines	5,040	.17	.28	.20	.20
.03	.01	....	....	Jellicoe	1,800	.02½	.02½	.02½	.02½
.02½	.00½	....	....	J. M. Cons.	2,000	.01	.01½	.01½	.01½
6.80	4.75	†.17	....	K. Addison	10,013	6.50	6.80	6.45	6.80
.06	.02½	....	....	Kirk. Gold	1,000	.06	.05	.05	.05
.40	.19	....	....	Kirk. H. Bay	300	.27	.30	.30	.30
.70	.55	†.02	....	Kirkland L.	8,100	.60	.62	.60	.62
.25	.19	....	....	Kootenay B.	1,800	.24	.25	.24	.24½
1.20	.40	†.02	....	L. Dufault	34,900	1.20	1.18	1.00	1.15
16.00	10.25	.80	5.4	Lake Shore	1,440	14.75	14.87	14.25	14.25
5.30	3.50	.30+.05	..	Lamaque G.	1,117	4.95	5.00	4.80	5.00
.09½	.03½	....	....	Lapa Cad.	5,500	.05	.05	.04½	.05
.03½	.01	....	....	Lebel Oro	5,500	.02½	.03	.02½	.03
.87	.60½	.09	*10.6	Leitch Gold	8,700	.82	.87	.83	.87
1.00	.67	*.17½	....	Little L.L.	20,625	.70	.73	.70	.70
3.40	2.26	†.12	....	Macassa	2,820	3.35	3.35	3.05	3.35
1.85	1.52	*.10	....	MacLeod C.	19,170	1.78	1.80	1.70	1.76
1.26	.70	†.03	....	Mad. R.L.	31,725	1.10	1.20	1.09	1.20
2.09	1.65	....	....	Malartic G.	37,500	1.85	1.98	1.84	1.96
.05½	.02½	....	....	Maralgo	2,000	.04¾	.04½	.04½	.04½
56.00	46.75	3.33	*6.5	McIntyre	230	52.00	51.25	50.50	50.50
1.05	.83	.12	11.5	McK. R.L.	27,770	.90	1.05	.88	1.05
.03½	.01½	....	....	McLellan G.	3,000	.03½	.03½	.02½	.02½
.18	.10	....	....	McWatters	750	.13½	.13½	.12	.12
1.80	1.22	....	....	Mining Corp.	2,990	1.70	1.75	1.68	1.72
.40	.28	.08	....	Moneta	3,950	.30	.34	.32	.32
.50	.35	†.02½	....	Negus Mines	2,000	.41	.40	.40	.40
1.70	1.00	*.10	....	Nipissing	1,600	1.41	1.41	1.30	1.41
48.25	40.00	4	8.8	Noranda	3,062	45.00	45.75	45.00	45.00
.04	.02½	....	....	Norgold	1,600	.03	.04	.04	.04
1.03	.72	....	....	Normetals	20,997	.97	.99	.95	.99
1.01	.60	†.03	....	O'Brien	69,150	.70	1.01	.76	1.00
.29	.08	....	....	Omega	9,000	.27½	.27	.24	.26
.11½	.06½	....	....	Ont. Nick.	121,010	.06¾	.07½	.06½	.07
.19	.07½	....	....	Osisko	2,500	.13½	.13	.12½	.13
.95	.57	....	....	Pamour P.	3,500	.95	.94	.90	.94
.05	.03	....	....	Pandora	6,200	.04½	.05	.03½	.03½
.04½	.02	....	....	Partanen	289,900	.02½	.04½	.03	.04
.27	.15	†.01	....	Paymaster	16,325	.24	.24	.22½	.24
1.90	1.05	†.06	....	Pend Oreille	5,200	1.70	1.70	1.65	1.70
1.05	.77	†.06	....	Perron Gold	3,000	.77	.80	.77	.78
1.90	1.28	†.05	....	Pickle Crow	11,600	1.62	1.75	1.61	1.75
2.15	1.25	....	....	Pioneer G.	1,715	2.05	2.01	2.00	2.00
.75	.52	†.02	....	Powell R.	3,200	.75	.75	.73	.73
.63	.56	....	....	Do., Vot.Tr.	500	.61	.63	.63	.63
.92	.58	.06	....	Premier G.	2,385	.91	.92	.82	.91
2.25	1.72	.20	9.3	Preston E.	22,260	2.15	2.20	2.10	2.20
.42	.31	.08	....	Privateer	3,600	.37½	.37½	.37½	.37½
.23	.20	....	....	Prospectors	500	.23	.23	.23	.23
.04	.02½	....	....	Quatsino	200	.02½	.03	.03	.03
.25	.20	†.02	....	Quebec Gold	500	.21	.21	.21	.21
.58	.30	....	....	Queenston G.	5,662	.51	.54	.51½	.54
.09½	.02	.07	....	Reno Gold	8,200	.03½	.03½	.03½	.03½
.07½	.03½	....	....	Roche L.L.	18,600	.04½	.07½	.04½	.06
3.25	1.86	.20	*7.1	San Antonio	9,368	2.99	3.00	2.90	3.00
.09½	.02	....	....	Sand River	18,500	.07½	.07½	.05½	.06
.31	.18	.03	....	Senator R.	13,000	.24	.27	.23½	.26
.04	.02	....	....	Shawkey	1,000	.03½	.03½	.03½	.03½
1.05	.84	.16	16.8	Sheep Creek	800	.95	.96	.94	.96
1.03	.66½	†.03	....	Sherritt G.	9,658	.91	.97	.88	.96
7.00	5.10	.60	8.7	Sigma Mines	3,063	7.00	7.00	6.90	6.90
.48	.35	†.03	....	Siscoe	13,200	.40	.48	.40½	.48
.45	.29	....	....	Sladen Mal.	10,500	.40	.40	.38	.38
.03½	.01½	....	....	Slave Lake	3,000	.02	.02½	.02	.02
.06	.02	....	....	St. Anthony	19,700	.04	.04	.03	.04
2.40	1.51	....	....	Steep Rock	60,200	2.24	2.36	2.25	2.36
2.10	1.46	....	....	Sud. Basin	135	2.05	2.05	1.90	2.05
.82	.60	†.05½	....	Sullivan C.	8,925	.70	.77	.70	.75
.05½	.04	....	....	Surf Inlet	1,000	.05	.04	.04	.04
1.95	1.38	†.08	....	Sylvanite	2,176	1.83	1.85	1.80	1.80
3.20	1.85	.30	10.5	T. Hughes	5,975	2.90	2.94	2.75	2.93
.10	.05	....	....	Temiskam g	30,200	.06½	.10	.07	.09½
.75	.58	†.02	....	Toburn Gold	2,700	.70	.67	.67	.67
.18	.09	....	....	Towagmac	1,000	.14	.14	.14	.14
.74	.35	....	....	Trans. Res.	15,300	.60	.69	.61	.68
45.00	26.00	....	....	Uchi Bonds	$200	40.00	35.00	35.00	35.00
1.46	.95	.10	....	Upper Can.	24,350	1.40	1.46	1.37	1.46
6.25	4.35	†.10	....	Ventures	2,040	6.20	6.20	5.90	6.10
4.95	3.40	†.30	....	Waite Am.	4,242	4.60	4.65	4.50	4.65
.02½	.01	....	....	Wellington	20,000	.01½	.01½	.01	.01½
.24	.19	....	....	Wendigo	1,050	.21	.21	.21	.21
.04	.02	....	....	Whitewater	88,500	.02½	.04	.02½	.04
.03½	.01½	....	....	Wiltsey C.	4,000	.03	.03½	.03	.03½
4.20	2.50	†.27½	....	Wright-Har.	5,858	3.45	3.45	3.25	3.35
.10½	.08	....	....	Ymir Girl	500	.08½	.08½	.08½	.08½

Oil Stocks

High	Low	Div. Rate $	Yield %	Company	Sales	Last July 5	High	Low	Close
.14	.06	....	....	Acme G.&O.	2,700	.10	.10	.09¾	.09¾
.18	.09	....	....	Alta. P. Cons.	2,700	.14	.15	.13	.15
1.55	.13	....	....	Ajax	34,450	1.30	1.55	1.25	1.50
.07½	.03½	....	....	Anaconda	2,500	.04½	.05	.05	.05
.82	.45	†.04	....	Anglo Can.	11,000	.70	.76	.69	.76
.51	.19½	....	....	Br. Dom.	113,247	.47	.51	.46	.50
.13	.04½	....	....	Brown Oil	1,800	.08½	.09½	.08	.09½
1.75	1.15	†.05	....	Calg. & Ed.	8,650	1.59	1.67	1.56	1.67
.35	.21	....	....	Calmont	11,850	.28	.30	.26	.30
.49	.29	....	....	Dalhousie	3,800	.30	.40	.37	.40
.23½	.10	....	....	Davies Pete	34,500	.22	.23½	.20	.20
.20	.04½	....	....	East Crest	192,250	.17½	.20	.16½	.17½
1.75	.78	....	....	Foothills	7,971	1.40	1.75	1.46	1.70
.17	.10	....	....	High Sarcee	500	.16	.15	.15	.15
3.95	2.65	†.15	....	Home	61,485	3.45	3.95	3.40	3.95
.05½	.03	....	....	Homestead	4,000	.04½	.04½	.04½	.04½
.04½	.01	....	....	Madison	2,000	.03	.03	.03	.03
.03	.00½	....	....	Marjon	17,000	.00¾	.01	.00½	.01
.12	.05	....	....	McD. Segur	3,200	.08	.08	.07½	.07½
.08½	.05	....	....	Mercury	1,000	.06½	.06½	.06½	.06½
.28	.21	.02	....	Model	5,100	.23	.28	.25	.27
.07	.02½	....	....	Oil Select.	1,000	.05½	.05½	.05	.05
.73	.38	....	....	Okalta	6,600	.60	.65	.61	.65
.09	.04½	....	....	Pacalta	14,000	.05½	.05¾	.05½	.05¾
.48	.20	....	....	Pac. Pete.	3,215	.39	.42	.39½	.42
26.00	21.00	1	4	Royalite	975	24.00	25.75	24.50	25.50
.08	.03½	....	....	South End	23,800	.07	.07½	.06½	.07½
.40	.20	....	....	So. West P.	5,000	.20	.35	.30	.35
1.94	.95	....	....	Texas Can.	600	1.92	1.92	1.92	1.92
.10	.04½	....	....	United Oils	4,150	.08	.08	.07	.08
.27	.09½	....	....	Vermilata	109,800	.23	.25	.17	.20

* Yield including bonus. * Paid in 1942. †Interim paid in 1943.

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
July 13	57,500	37,400	845,000	......
July 12	61,100	19,900	640,000	......
July 10	41,300	4,600	228,000	43,205
July 9	61,300	8,300	479,000	54,760
July 8	44,200	17,500	622,000	38,725
July 7	20,400	35,200	396,000	19,440

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

July 13, 1943

%	Due	Bid	Ask.
3	Oct. 1943	100¾	101¼
2	June 1944	100¾	101¼
1½	Sept. 1944	100	100¾
a2½	Jan. 1944	99¾	100¾
4½	Oct. 1944	103¼	104¼
2½	Nov. 1944	101½	102
a2½	Aug. 1945	100¾	101¾
4	Oct. 1945	100¼	101¼
2	Mar. 1945	100¾	101¾
2	Dec. 1946	100	100¾
4½	Feb. 1946	106½	107½
2½	Mar. 1948	100	100¾
1¾	May 1946	99¾	100½
a3½	Jan. 1948	101¾	102½
3½	June 1949	102¾	103¾
3½	Oct. 1949	102½	102¾
a3	June 1951	102½	103
3½	Nov. 1951	103	104
3½	Feb. 1952	103¾	104¾
3	Oct. 1952	100¾	101¾
4	Oct. 1952	105½	107½
a3	Jan. 1953	103¾	104¾
3	June 1955	99¾	100¾
a3	Nov. 1956	99¾	100¾
4½	Nov. 1956	106¾	107¾
4½	Nov. 1957	107¾	108¾
a3	Mar. 1954	100¾	101¾
a3	Jan. 1958	103	104
3	June 1958	99¾	100¾
4½	Nov. 1958	108½	109½
4½	Nov. 1959	109½	110½
a4	Oct. 1960	108¾	109¾
a3½	Jan. 1961	104½	105½
3½	June 1966	102½	103½
a3e	Jan. 1967	99¾	101¾
a3e	Nov. 1968	101	102
†3	Perpetual	94½	95½
Dominion Guarant'd Bonds Can. Natl. Railways:			
2½	Jan. 1946	100¾	101¾
3	May 1944	99¾	101¾
3	Dec. 1950	101	102
3	Jan. 1959	99¾	100¾
*4½	Sept. 1951	122½	123¾
*4½	Feb. 1956	126½	127½
4½	July 1957	127½	128¾
3	Feb. 1953	100¾	101¼
4½	June 1955	128½	129¾
5	Feb. 1954	117½	118½
*5e	July 1969	118	119½
*5e	Oct. 1969	126½	128
*5e	Feb. 1970	126½	128
Can. Nat. W. Ind. S. S.:			
5	Mar. 1955	129½	130¾
Grand Trunk Pacific Rly.:			
3	Jan. 1962	107¾	109¾
Provincial Gov't Bonds — New Brunswick:			
4	Nov. 1947	112½	114½
3	Oct. 1951	97½	98½
3½	Aug. 1949	98¾	100¾
3½	June 1956	100½	102½
4½	Apr. 1961	114¾	116¾
c5	Jan. 1960	119½	121½
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100½	102½
3½	Nov. 1950	102½	104½
c4½	Sept. 1952	116	118
c4½	Nov. 1960	120½	122½
c5	Mar. 1960	126	128
Ontario:			
2½	May 1945	100	101½
3	Apr. 1943	100½	102½
3	Nov. 1950	99½	101½
3½	Nov. 1951	100¾	102¾
3½	May 1955	100¾	102¾
4	June 1962	120½	122½
4½	June 1950	108½	110½
*4½	Jan. 1962	126½	128¾
5	Oct. 1948	109¾	111½
*5	Dec. 1960	130¾	133¾
*5½	July 1946	107¾	109
Ont. Hydro Commission:			
3	Aug. 1948	100½	102½
3½	Feb. 1953	100¾	*102¾
3½	Apr. 1947	103½	105½
Prince Edward Island:			
4	Mar. 1954	101½	103¼
Quebec:			
3	Nov. 1947	100½	102½
3½	Mar. 1949	100¾	102¾
3½	Mar. 1959	100½	102½
4	Nov. 1952	103½	105½
3½	Feb. 1955	102½	104½
4½	Aug. 1958	107	109
4½	Jan. 1963	111½	113½
Alberta:			
4½	Oct. 1956	85½	88½
4	Dec. 1954	83	86
*5	Oct. 1959	86½	89½
c5½	Apr. 1952	87½	90½
6	Mar. 1947	86½	89½
British Columbia:			
4	Dec. 1957	115½	117½
*4½	Jan. 1951	117	119
c4½	Oct. 1953	118	120
c5	Apr. 1954	122	124
5½	Feb. 1945	103	105
6	Feb. 1947	109	111
Manitoba:			
c4	Dec. 1957	110	113
c4½	Dec. 1956	114½	117½
*5	Dec. 1959	119	121
5½	Oct. 1953	114½	117
6	Apr. 1947	107½	109½
Saskatchewan:			
4	Sept. 1954	94½	97½
4	Nov. 1960	93½	96½
c4½	Oct. 1951	102	105
c4½	Mar. 1960	99½	102½
5	Aug. 1958	101	103½
5½	Oct. 1952	102½	106½
6	Mar. 1952	104	107

*-Payable Can., N.Y., & c-Paybale Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated to 1950 average maturity. a-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Mines

Toronto, July 13, 1943

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Adnaron	.35	.37	De Sa n	.05½	.07½	Metalor	.28	.31	Propty	5.80	6.00
Alb. R. n	.07	.09	Dona P	.01¾	.02½	Mid Iron	.27	.32	Que. M	.23	.25
Algo C.	.26	.29	Eastward	.12	.14	Mo H n	.04	.05	Rand M	.19	.21
Amal Kirk	.13	.14	Electra	.08½	.09½	Mosher	.08	.10	Rebair	.38	.40
Am Lar	.34	.37	Goodrock	.07	.09	Moosew	.14	.16	Raylart	.21	.23
Amicm	.27	.30	G. Lk I	.20	.22	McMans	.02	.03	Rhyolit	.02½	.03
Area	.10	.13	Gunflint	.33	.37	McMar	.13	.15	Ritoria	.04	.05
Arntfield	.01	.02	Harp M	.17½	.20	Nat Ma	.24	.26	Rou D'O	.12	.14
Athona	.03	.04	Hays C	.02	.02½	Naybob	.01½	.02	S. A. G. A.	.28	.32
Banca	.43	.46	Highbr	.14	.17	Nick	1.00	1.10	Sheldon	.19	.21
Bar La	.05½	.06½	Hoyle n	.07	.08	Norbeau	.26	..	Springer	.24	.26
Bren Gold		.01½	Hugh P	.05½	.07½	Norsem	.20	.23	Thom L	.10	.12
Brock	.09½	.10½	Ivan L	.10	.21	Nor Tin	.09	.12	Tom Iron	.65	.72
Cald B	.06	.07½	Laguer	.08	.09	Oklend	.03½	.04½	Tomb J.	.08	.11
Cent Ma	.02½	.03½	Lake Gen	.07	.09	O'Lea Ma	.04	.05	Tovarh	.05½	.06½
Chemns	.07	.08	Lar Ad	.12	.14	Opemisk	.05	.07	Tungold	.23	.27
Class S	.13	.16	Larder	.11	.13	Orpit	.03½	.04½	Un Min	.05	.07
Clif Co	.54	.60	Largold	.33	.36	Pacific R	.70	.75	Vic Ore	.38	.42
Cock R	.07	.07½	Mag Co	.34	.37	Pascals	.30	..	Wesley	.02	.02½
Columb	.20	.23	Majorm	.58½	.63½	Pelango	.10½	.11½	West Sh	.06	.08
Cons C	.05½	.07	Marben	.25	.28	Pon Rou c	.13½	.15	Y Davd	.27½	.30
Cont T	.25	.28	Mart B	.07	.08	Pt. Cold	.36	.41			
Crowsh	.04	.07	Mata Co.	.10	.13	Presdor	.03½	.03¾			

Unlisted Stocks

July 13, 1943

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Industrial:	Bid	Ask.		Bid	Ask.		Bid	Ask.
Andian National.	22	24	Minn. & Ont. p.c.	8½	9½	Canadian Fire	73	..
Anglo C. Tel. A.	8½	9¾	Mt. Royal Htl. c.	3	..	Canada Life	329	..
Atlas Steels, c.	23	..	M'row Screw, p.	100	..	Confed. 30% pd.	130	..
Do., pref.	105	108	Do., com.	16	..	Continental L.	27½	33
B. C. Pulp, c.	11½	12½	Moirs, pfd.	40	..	Crown Life	250	..
Do., pfd.	74	79	Morrison Br. un.	8½	..	Dominion Fire	135	..
Barrymore Cl., p.	47	..	Neilson, Wm., c.	12	..	D. of Can. Gen.	126	..
B. C. Sugar	75	80	Do., p.	101	..	Dom. Life	176	..
B. C. Tel., p.	114	..	N. Meth. Ldy. p.	76	..	Empire, 25% pd.	6	7½
Brown, com.	2½	2¾	Ont. Tobacco, p.	15	..	Excelsior 40% pd.	74	..
Do., 6% pfd.	38½	..	Prov. Paper, p.	99½	..	Great-West Life	238	..
Burns & Co., A.	11½	13	River, Silk, B.	2½	..	Halifax Fire	13	14½
Do., B	6	7	Stand. Fuel, p.	54	..	Imperial Life	250	270
Canada Tea, p.	30	..	Stedman, pf. $50	54½	57½	Manufac. Life	220	245
Can. Indust., A	162	166	Sutton Horsley	.60	..	Monarch Life	34	37
Can. Mach., c.	7½	9½	Tor. Carpet, c.	69	..	National Life	8	10
Can. Ing. Rand.	61	..	Do., pref.	69	..	Sov. L. 25% pd.	14	..
Can. Mot. L.A.B.	9½	..	Un. Steel, A. pf.	23	24½	Sun Life	320	345
Cap. W. Cloth	5½	..	Viceroy Mfg., c.	12½	..	Tor. General	4½	5½
Do., pref.	17½	21	Do., pref.	21	23	Western Assce.	41½	..
Col. Realty	3½	..	West. Grain, un	37	..	Do., pref.	41	..
Chase, A. W., p.	16	20	**Trust & Loan Stocks:**			Western Life	12½	15
Colonial Steam.	68	74	British Mtge.	118	..	**Investment Trust Shares:**		
Copeland F. un.	15	17	Brockville Tr.	44	..	Inv. Found. un.	44½	..
Corr. Box, c.	3½	..	Capital Trust	29	..	Sec's Hold., pf.	18	20
Dover Ind.	7	9	Comm. Fin., c.	7½	..	Th. Can. Inv. Tr.	2	2½
Dunlop T. p. $25	23½	26	Grey B. Tr. $50	45	..	**Theatre Stocks:**		
Fed. Grain	3	4	Guaranty Trust	100	..	Allen's St. Cath. units	65	..
Do., pref.	82	86½	Guelph & O. $50	49	..	Do., Kingston	65	..
Galt Brass, c.	10	..	Indust. Mtge.	25	30	Do., Toronto, p.	36	..
Goderich Elev.	10	..	Lambton Loan	34½	..	Mansf. Theat., p.	62½	..
Guard. Realty, p.	17	20	Lond. & W. Trust	35	37½	Para. Kitch., p.	50	..
Guelph Carpet, c.	16	..	Midland Loan	14½	..	Do., Oshawa, c.	10	..
Gurney Fdy., p.	1½	..	Premier Trust	32	..	Do., Oshawa, p.	84	..
Hart Battery	5½	..	Sherbrooke Tr.	120	..	**Power Issues:**		
Hayes Steel, c.	15¾	..	Sterling Trust	55	..	Can. W. N. Gas	25	..
High. Dairy, pf.	..	46	Trusts & Guar.	36	..	Do., pfd.	102	..
Inglis, John	8½	..	Victoria Trust	66	..	Gt. Lakes Pr., p.	103	..
Ingram & Bell, p.	90	..	Waterloo Trust	100	..	Mtl. Isl. Pwr., p.	45	..
Kingst. Ship., c.	12½	..	**Insurance Stocks:**					
Loblaw Inc., c.	12	13¼	Brit. Amer.	51	..			

Oil Royalties

Producing Wells — Prices and Payments

	May daily quota bbls.§	Mar. 15 daily quota bbls.§	Mar. pay. 1% $	April pay. 1% $	May pay. 1% $	Total to May 31 1% $	Offering price* per 1% $
Ace No. 1 gross	385	336	169.40	166.30	152.18	5,017.92	....
Alta. Oil Inc. No. 1 gr.	65	65	37.20	28.40	26.80	3,765.20	900
Do., No. 1 net	65	65	29.20	74.80	22.00	4,266.40	....
Do., No. 2 gr.	325	389	140.00	138.80	126.40	5,115.20	....
Do., No. 2 net	325	380	97.20	121.20	104.00	6,599.40	....
Allied No. 1 pfd.	93	93	41.36	35.05	38.80	1,710.91	1,300
Arrow No. 1 net	120	135	39.00	36.00	45.00	1,003.15	1,400
Do., No. 2 net	150	170	52.00	49.00	57.00	1,827.20	1,700
Atlas No. 1 net pfd.	102	....	....	....	‡36.40	......	1,300
Atlas-Br. D. No. 2 pfd.	420	450	156.00	218.80	‡218.80	......	4,800
Atlas-Br. D. No. 3 pfd.	400	430	....	....	....	......	5,000
East Crest No. 5	115	115	52.50	57.20	66.00	863.60	1,300
Independent No. 1 pfd.	200	200	94.57	107.60	106.09	......	2,800
Do., No. 1 gr.	200	200	81.88	95.40	93.74	2,647.36	....
Major Oil No. 1 pfd.	95	95	45.20	140.40	30.00	1,014.80	1,300
Do., No. 1 gr.	95	95	51.20	48.40	38.80	1,845.00	1,300
Do., No. 2 net	320	350	108.00	138.00	154.80	3,339.60	4,300
Do., No. 2 gr.	320	350	150.80	156.00	171.60	6,927.60	5,400
Do., No. 3 net	550	588	214.40	252.00	242.40	7,430.40	7,000
Do., No. 3 gr.	550	588	291.20	264.00	253.60	......	9,800
Do., No. 4 net	100	125	....	54.00	39.60	......	1,800
Do., No. 4 gr.	100	125	....	56.00	37.20	......	....
Do., No. 7 pfd.	450	500	227.60	298.40	287.20	2,098.00	7,000
Do., No. 7 dfd.	450	500	....	....	....	......	3,600
Do., No. 8 pfd.	165	225	116.00	99.60	108.80	850.40	3,000
Do., No. 8 gr.	165	225	104.80	80.40	84.80	1,271.20	....
Do., No. 8 dfd.	165	225	....	....	....	......	1,400
Do., No. 9 gr.	320	320	129.60	160.40	174.80	1,912.60	5,300
Do., No. 9 pfd.	320	320	143.60	184.80	196.40	760.80	5,900
Do., No. 9 dfd.	320	320	....	....	....	5,311.28	1,400
Miracle No. 1 net	300	300	107.98	79.15	110.51	5,519.00	3,000
Do., No. 1 gr.	300	300	148.61	113.40	133.37	5,519.00	4,600
Do., No. 2 pfd.	160	200	87.04	119.86	87.31	......	2,900
Do., No. 2 gr.	160	200	75.86	108.40	77.10	1,387.08	3,500
Miracle No. 3 pfd.	...	...	....	....	....	......	2,500
Do., No. 3 gr.	...	...	....	....	186.62	......	5,700
National Vulcan	...	...	....	....	....	......	2,800
Twni City No. 2 gr.	200	...	....	....	86.04	......	....

* Approximately 25% over dealers' bid price.
§ Approximate. ‡ April payments.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	July 12 Bid	Ask
Acme Glove	...	7¾	..	7½
Do., pref.	6.50	70	71	..
Agnew Surp., c.	.80+.20	13	12½	..
Aluminium pref.	6	119½	116	119½
Amal. Electric	.60	8¾	8	9
Amer. Cyn. (B)	.60	37	33	..
Ang. Can. Tel., p.	2.75	45½	44½	..
Assoc. Brew., pf.	7	110½	110½	..
Assoc. T. & T.A.	...	1.00	1.00	..
Do., pref.	♦1.02	30	28	35
Ault & Wiborg	5.50	103	103½	..
Bk. Can. Nat.	6	130	130	..
Bk. Toronto	10	246	251	255
Barber Ellis	.25*	8½	6	..
Beatty Bros.	1	18½	18½	18¾
Do., (B)	...	10	10	..
Do., 2nd pref.	7	112½	113½	..
Beaver Lumber	...	5	5	..
Do., pref.	...	110	99	..
Belding Cort., pref.	7	120	116½	..
Bertram & Sons	.30+.10	8	9	10
Biltmore Hats	.60	8	8½	9
Blue Ribbon, pfd.	2.50	39	39	40
Blue Top Br. (A)	.60	12	13	..
Do. (B)	...	12	12½	..
Brand, Hender.	...	3	4	8
Brant, Cord., pf.	1.30	25½	25½	..
Bright, T. G.	...	6½	5	6
Do., pref.	6	92	90	..
Caldwell Linen, 1st p	1.50	23½	23½	24½
Do., 2nd pf.	.80	10½	10½	11
Can. Bread, pf. (B)	2.50	50	45½	53
Can. Cr. Stone	.40	5	4½	..
Canada Cycle, p.	5	105½	105½	..
Can. Iron	...	69	..	70
Do., pref.	6	80	..	95
Can. Starch, pf.	7	110	111	..
Can. W. Cable (B)	.50*	20	17½	19¾
Can. Canners, 1st p.	1+.20■	22	22	22½
Can. Celanese rgts.	1	22½	22	..
Can. Cottons, c.	4+2	103½	103½	..
Can. Fairb., pf.	6	101	103	..
Canadian Fire	4	71	70	..
Can. For. Inv.	.70*	31	28	31
Do., pref.	8	105	105	..
Can. Gen. Elec.	8	205	200	..
Can. G. Inv.	.50+.12½	9½	9¾	..
Can. Gen. Secs. (A)	...	6½	5¾	..
Do. (B)	...	6½	5¾	..
Can. Int. I. Tr. c.	...	.25	.50	.90
Can. Oil, pf.	8	125	125	130
C. Tube & Stl.	...	6	..	..
Do., pref.	1.75*	105	..	..
Do., 2nd pref.	...	7	..	..
Can. Wallpaper (A)	1	10	11	..
Do. (B)	1	10	11	12
Can. West'house	2	44	44	..
C. Wire Box	1.50+.50	17½	17½	19½
Carnation, pfd.	4	116¾	116½	..
Catelli Food, c.	...	10½	9	..
Celtic Knit	...	1.60	1.50	..
Cent. Can. L'n.	8	135	125	137½
Chart. Trust	4	85	75	88
Coll. Terminal	.25	4¾	5¾	6
Do., pref.	.25	5¾	5¾	6
Cons. Fire Co.	...	...	3¾	..
Cons. Press	.40	6	5	6
Crown Dom. Oil	...	1.25	1.25	..
Cub Aircraft	...	.80	.75	1.05
Dairy Corp., c.	...	4	3½	4
David & Fre. (B)	...	2½	..	2½
de Havilland, pf.	7+3.50▲	90	80	90
Disher Steel	...	1.25	1.00	1.25
Do., pref.	...	10	10	11
Dom. Ang. Inv.	4	23	25	..
Do., pref.	5	75	77	..
Dom. Engineer	2	30	28	30
Dom. Envelope	...	7½	6	7½
Do., pref.	...	50	50	..
Dom. Fabrics	.60*	9½	9¾	10½
Do., pref.	3	...	52	..
Do., 2nd pref.	1.50	22½	22½	23
Dom. Foundries, pf.	6	107	106½	110
Dom. Scot. Inv., c.	...	1.00	.45	2.00
East Koot. Pr.	...	.50	.50	..
Do., pref.	...	13	13	14
East Dairies, c.	...	.90	..	1.05
East Steel	1	15	14¾	15
East Theat.	♦.50	6½	6½	..
Economic Inv.	1.27½	29	30	34
English Electric	.87*	24	..	24
Do (B)	...	4	4	5½
Fam. Players	1.50	23½	24½	..
Federal Fire	2.50+.50	..	51	..
Federal Grain	2▲	90½	..	..
Fleury Bissell	...	.75	.50	1.00
Do., pref.	...	18	18	19
Ford Motor (B)	1	22½	21½	24½
For. Pr. Secs.	...	.50	.35	.75
Freiman, pf.	6	65¾	75	..
Gt. West Life	15	240	235	..
Gt. W. Saddlery, pf.	3	32½	32½	40
Greening Wire	.60	11¾	10¾	11½
Gurd, Chas., pf.	...	70	..	..
Halifax Ins.	.80	13½	14	14¾
Ham. U. Theat.	...	1.00	1.85	3.00
Do., pref.	5	97	97	100
Holt Renfrew	...	8	5	..
Do., pref.	...	93	..	92
Home Invest. ($40)	...	13	12	..
Do., part. certs.	...	10	10	..
Hur. & E. Mt. 20% p	.80	10½	10½	12
Imperial Bank	8	174	174	..
Imperial Life	15	...	..	274
Imp. Varnish, pf.	1.50	29	29	29½
Indust. Accept. pf.	5	90	89	95
Inter-City Bak.	3+1	47	42	..
Inter'c Coal, c.	4	40	..	50
Int. Coal & Co.	.03	.33	.30	..
Int. Mill., pf.	5	115	113½	115
Int. Paints	...	3½	3	3½
Do., pref.	1+.50▲	18	16½	19
Int. Pap & P.	...	13¾	..	..
Do., pref.	5	63½	..	..
Lake of Woods, pf.	7	126	126½	..
Landed Bank	4	55	54	65
Levy Bros.	.10*	3	2¾	..
Lindsay, C. W., pf.	2	55	52	..
Mackenzie Air	...	1.00	..	..
M. L. Gardens	...	6½	6½	8¾
Do., pref.	.40	6¾	6¾	7½
Maritime Tele.	.70	15	15	..
Do., pref.	.70	17	17	..
Marcus Loew's	...	25	30	..
Do., pref.	7	100	101	..
Melchers, c.	...	1.75	1.25	2.25
Mitchell, J. S.	2.50	44	45	..
Mod. Contain., pf.	5.50	92½	92½	97
Monarch Knit, c.	...	3	3½	6
Monarch Life	12%	33	31½	..
Montreal Cot.	4	72	70	75
Do., pref.	7	125	125	..
Montreal Loan	1.25	17	16	..
Mtl. Refrig. & S.	...	.75	.80	..
Do., pref.	1.25	22½	22¾	..
Moore Corp. pf. (B)	7	276	..	..
Muirheads, pf.	...	1	5½	..
Murphy Paint, pf.	5.50	..	96½	..
Nat. Grocers, pf.	1.50	27	27	..
Niag. W. Weav.	.50*	18	..	17½
North Star Oil, pf.	.35	4½	4½	4½
N.S.L. & Pr.	6	80	80	..
Do., pref.	6	104½	108	..
Ontario Loan	5	105	105	113¾
Ont. Silknit, pf.	3	35	34½	43
Do., Scripts	1	14	12	15
Ont. Steel, pref.	7	120	115	..
Pacific Coyle	.03	.30	.30	..
Paton Mfg., pref.	7	119	112	..
Penmans, pref.	6	126	126	..
People's Cr. Sec.	.25	5	4	5½
Porto Rico Pr., p.	7	101	101	..
Power Corp. 2nd pf.	3	44	44	45½
Prov. Transport	.40	7½	7½	7¾
Que. Telephone	...	4	4	..
Real Estate L'n	2	30	28	33
Regent Knit, pf.	1.60	21	..	21
Reliance Grain, c.	...	16	..	18
Rolland Pap., pf.	6	97	..	96
Russell Indust.	.80	18	18	20
Sangamo	.30*	15	17	35
Sarnia Br. (B)	...	3	3	3¾
Scythes & Co.	1+.50	14½	16	19¾
Do., pref.	1.75	25	25	..
Sher. Wms., pf.	7	124	118	..
Simon & Sons, pf.	7	104	105	..
St. Law. Flour, pf.	7	120	120	..
Stand. Clay	...	5½	4	6
Stedman Bros.	.60+.60	22	20	22
Sterling Coal	...	3¾	4½	5
Stop & Shop	...	.25	.25	1.00
Stuart, D. A., pf.	.80+.25	12½	12½	14
Supersilk H. A.	...	3½	3	3½
Do. (B)	...	3	3½	..
D.o, pref.	5	80	80	85
Sup. Pete. Ord.	1	23	24	..
Do., com.	1	23	23	28
Thayers	...	1.25	1.25	..
Do., pref.	2	20	23	29
Tip Top Tailors	.22½	9½	8	9
Do., pref.	7	104	103	..
Tooke Bros.	...	1½	1½	..
Do., pref.	...	25	22	25
Traders Bldg.	...	46½	50	..
Traders Fin. (A)	...	9	8½	..
Do. (B)	...	8½	8	..
Do., pref.	6	75¾	75½	..
Do. (A) rights	1	8½	9½	..
Do. (B) rights	1	9¾	9½	..
Tuckett Tob., p.	7	154	151½	..
Un. Amuse., (A)	.80	13	16	..
Do. (B)	.80	13½	16	..
Viau Bisc.	...	6	..	7
Do., pref.	5	60	55	..
Wellington Fire	2.50+1	..	58	..
W. Koot. Pr., p.	7	136	115	..
West. Breweries	.15	4	4½	..
West. Grain	...	.65	..	..
Do., pfd.	...	25	..	..
W'minster Pap.	.50	..	11¾	..
Wilsils	1	18	17	18
Wood, A&J, p.	7	84	81	..
Woods Mfg., pf.	...	85	85	..
York Knitting, pfd.	7	..	100	..
Zellers, pf.	1.50	26½	26	..

*Interim dividends paid in 1943.
♦Paid in 1942. ▲Onn arrears.
■Participating.

Mining Stocks

	Div. rate $	Last sale	July 12 Bid	Ask
Arno	...	.03	.01½	.02½
Berens River	†.06	.70	.71	..
Brazil Gold	...	.01	.01	.02
Camp Bird	...	.07	.05½	.06
Cartier Malartic	...	.01¾	.01½	.02½
Cent. Manitoba	...	.03	.02½	.03
Century Mining	...	.02½	.04	.07
Coniagas	...	1.05	.101	1.10
Delnite	†.03	.60	.56	..
Dentonia	...	.00¾	.00¾	..
Flin Flon	...	.02	.01½	.02½
George Copper	...	.16	.17½	..
Golconda	...	.05½	.04½	.05½
Goldale	...	.12½	.12	.13
Goodfish	...	.01½	.01½	.01¾
Grandora	...	.05½	.05½	.06½
Grandview	†.01	.13½	.13	.15
Great Falls M.	...	.03½	.02	.03½
Hasaga	...	.25	.20	.25
Home Gold	...	.00¾	.00¾	.00½
Indian Mines	...	.01½	.01½	..
Jacola	...	.01	.00¾	.01
Jack Waite	...	.07½	.06¾	.07½
Joliet Quebec	...	.02½	.02¾	.03
Kerr Lake	.05	.10	.15	..
Kirk. Townsite	...	.10	.10	.10¾
Man. & Eastern	...	.01½	.01½	.02
McGillivray C.	▲.02	.21	.20	.22
McVittie Graham	...	.05	.06	.06¾
Mentor Exploration	...	.20	.11	..
Minto Gold	...	.01¾	.01½	.02½
Nor. Canada	...	.20	.20	..
Northern Empire	▲.30	2.00	1.75	2.10
Pacific Nickel	...	.10	.08	.11
Pato Cons. G.	†.15	2.70	2.50	2.70
Placer Devel.	†.25	9.00	..	10.00
Premier Border	...	.02½	.02	.02½
Quemont	...	.05	.07	..
Red Crest	...	.04	.03½	.06
Reeves McDonald	...	.30	.28	.35
Silbak Prem.	†.11	.80	.72	..
Sturgeon River	...	.13	.13	.13½
Sudbury Contact	...	.03½	.02½	.03½
Sunloch	...	.07	.15	.25
Taylor Bridge	...	.05	.03	.04½
Winnipeg R. Tin	...	.01½	.00¾	.01
Wood Cadillac	...	.00½	..	.01½

Oil Stocks

	Div. rate $	Last sale	July 12 Bid	Ask
Amalgamated	...	.07	.09½	..
Brown Oil, debs.	...	25.00	25.00	..
Commoil	†.01½	.17	.19	.20
Common, Pete.	...	.24	.23	.27
Grease Creek	...	.01	.01½	.03½
Mill City	†.03	.07	.06½	.07
National Petroleum	...	.07½	.06½	..
Nordon	...	.05½	.05½	.07
Petrol. Oil & Gas	...	.25	..	..
Royal Canadian	...	.03½	.03½	.04
Spooner	...	.08½	.07	.10
Sunset	†.01½	.08	.08	.09
Vanalta	...	.07½	.07¾	.08½
Vulcan	...	.25	.22	.29

▲Paid in 1942. †Interim paid in 1943.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 13, 1943

Public Utility Issues:	Int. Rate %	Due	Bd July 13	Ask.	Bid July 6
▲Alg. Cen. H.R.H.	5	'59	37½	40	36½
†Assoc. Tel. & T.	5½	'55	89	92	88½
B. C. Power	4½	'60	101½	103½	101½
B. C. Tel.	4½	'61	107	109	106½
†Calgary Pwr.	5	'60	111	113	111
Do.	5	'64	105½	107½	105½
†Can. Nor. Pwr.	5	'53	108	110	108
*Dom. Gas & El.	6½	'45	110½	112½	110½
Gatineau Pwr.	5	'49	101½	104	102
*Do., A	3¾	'69	107	109	106½
♦Do., B	3¾	'69	101½	103½	101½
Gt. Lakes Pwr.	4½	'56	102	104	101½
Do.	5	'57	101½	104	101
*Int. Hydro-El.	6	'44	70½	73½	72
▲Inter. Power	6	'55	103	..	103
L. St. Law. Pwr.	5	'55	101	..	101
Macl'n-Que. Pr.	4	'59	103	105	103
Mtl. L. H. & Pr.	3½	'56	103½	105½	103½
Do.	3½	'73	102½	104½	102
Do.	3½	'63	102½	104½	102
†Mtl. Tramways	5	'51	104	106	104
†Do.	5	'55	92	94	91½
Nat. Lt. & Pwr.	4½	'61	99	102	..
N. S. Lt. Pr.	4	'57	102	..	102
Ottawa L.H.&P.	4	'57	102½	..	102½
Ottawa V. Pwr.	5	'59	102	104½	102
†Power Corp.	4½	'59	99½	102½	100
Quebec Pwr.	4	'62	103	105	102½
*Saguenay P., A	4½	'66	114	116	114
♦Do., B	4½	'66	106	109	106
St. Maurice Pr.	4½	'70	104	106½	104
Shaw. W. & Pr.	4	'61	104	106½	104
†Do.	4½	'70	113½	115½	113
Do.	4	'69	104	106½	104
Union Gas	4½	'50	100½	103½	101
†Twin C. R. Tr.	5½	'52	99½	102½	99½
†United Secs.	3	'52	95½	98½	95½
‡Wpg. El., ser. A	5	'65	97	100	96½
Do., B	5	'65	92½	95½	91½
Industries and Realty Issues:					
†Abitibi P. & P.	5	'53	73½	76½	70½
Do., C.O.D.	5	'53	72	75	69½
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	100	102	99½
†Alta. Pac. Grain	6	'46	105½	107½	105½
Algoma Steel	5	'48	103½	105½	103½
Atlantic Sugar	4	'51	101	..	101
†B. C. Pulp & P.	6	'50	96½	99½	96
Do.‡†	7	'50	80	84	79
Brown Co.	5	'59	85	88	83
Burns & Co.	5	'58	85	88	85
Canada Cement	4½	'51	103	105	103
Canada Electric	4½	'65	97	100	97
Can. Paper	4½	'52	100	103■	100
Can. Steamship	5	'57	104½	106½	104½
Can. Canners	4	'51	102½	104½	102½
*Can. Int. Paper	6	'49	108	110	108
‡Can. Locomotive	6	'53	102	105	101
‡†Candn. Vickers	6	'47	103½	106½	102½
C. P. R.	3½	'51	101	103	101
Do.	4	'49	103½	105½	103½
Col. Steamships	6	'54	102	..	102
†Consol. Paper	5½	'61	82½	85½	79½
Dom. Coal	4½	'52	100½	103½	100
Dom. Scott. Inv.	4	'52	100½	..	100½
Dom. Stl. & C.	6½	'55	105½	108½	105
Dom. Tar	4½	'51	103	105	103
Dom. Woollens	6	'53	98½	101½	98½
†Donnacona Pap.	4½	'56	85	88	84½
*Dryden Pap.	6	'49	105	108	105
†East. Dairies	6	'49	92	95	92
Famous Players	4½	'51	103½	105½	103½
†Federal Grain	6	'49	106½	108½	106½
†Fraser Cos.	6	'50	103½	..	103½
Galt Brass	5	'50	96	99	96
Gen. Stl. Wares	4½	'52	103	105½	103
*Great L. Paper	5	'55	97½	100½	97
*Gurney Fdry	5½	'49	94	97	94
†Gypsum Lime	5½	'48	104	107	104
Ham. By-Pr. C.	5	'55	102	..	102
Do.	6	'56	101½	..	101½
Ham. Cotton	4½	'50	99½	102½	99½
Inter-City Bak.	5½	'48	102½	105	102½
Indust. Accept.	4	'52	94½	..	94
Ins. Ex. Bldg.	3	'51	56½	..	56½
*Inter. P. Nfld.	5	'68	101½	104½	101½
*Inv. Bond & Sh.	5	'47	43	..	43
†Kingston Elev.	6	'50	104	107	104
Lake St. J. P.	5½	'61	93½	96½	93½
Do.	5	'61	72½	75½	72½

Corporation Bonds (Cont'd)

Legare	6	'61	93	96	93
Maple L. M.	3	'57	100	102½	100
Man. Sugar	5	'60	103½	106½	103½
Massey-Harris	4½	'54	101	103	101
McColl-Fron.	4½	'49	102½	105	102½
McCormicks	4	'52	99½	102½	99
Do.	4½	'52	102	..	102
Mercury Mills	5	'59	100½	103½	100½
Mersey Paper	5	'57	95½	98½	95½
†Do.	6	'49	96	99	96
*M. & O. Paper	5	'60	104½	106½	104
Moirs Ltd.	6	'53	85	..	85
‡Mtrl. Drydocks	6	'48	95	98	94½
Montreal Apts.	4	'54	55	58	54
N. S. Stl. Coal	3½	'63	84	87	83½
Price Bros.	5	'57	100	102½	99½
Do.	4	'57	99	..	89½
*Prov. Paper	5½	'47	104	107	104
Reliance Grain	4½	'52	100	103	100
†Restigouche Co.	6	'48	103½	..	103½
Rolland Paper	4½	'51	101½	..	101½
Ruddy, E. L.	6½	'48	94	..	94
Silv. Dairies	6	'66	98	101	98
Simpsons, Ltd.	4½	'51	103	105	103
Smith, Howard	4½	'51	102½	104½	102½
Stand. Lime	6	'44	99	..	99
Sterling Coal	6	'45	99	..	99
Stop Shop	3	'47	76	..	75
United Amuse.	5	'56	102	105	101½
United Corp.	5	'53	100	..	99
*United Gas	5½	'48	106	..	106
†Western Grain	6	'49	100½	103½	101

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

July 13, 1943

Miscellaneous Stocks:	Bid	Ask.
Allens Lond. Thea., pfd.	54	..
Atlas Steels, 7% 2nd pf.	106	109
Brantford Roofing, c.	2½	..
Can. Co-op. Wool.	9	..
Can. Fairbanks, com.	23	..
*Can. Gen. Rubber, pfd.	..	21
Can. Paving 1st pfd.	1½	..
Can. West. Lumber, c.	.30	.50
Cawthra Apts. pfd.	3½	..
Claude Neon 7% pfd.	4½	6
Commer. Life 10% pd.	6	..
Copland Brewing	.90	..
Dubuisson Gold.	.15	.18
Eastern Steel 5% pref.	20½	21½
†Easy Wash. 7% pref.	10	11½
Fed. Fdries & Steel c	.17	.30
Franco Oils	.33	.38
Highland Dairy, c.	1	..
Insce. Exch. Bldg. c.	1	1½
McCuaig Red Lake	.03½	..
Milton Brick, com.	.08	.20
Monarch Mtge. units	1½	..
Nat. Hosiery com.	1	..
Do., pref.	1.05	..
†Nor. Amer. Elev. 1st pf.	86	..
*Do., 2nd pref.	26	..
Do., com.	..	1
Nor. Telephone, c.	1½	..
Numaque Mining	.05	..
Que. Pulp & Paper pfd.	25	27
Ritchie Cut Stone pfd.	1	4
P. L. Robertson Mfg. c.	20	..
Do., $2.50 pfd.	43	45½
Sawyer-Massey com.	1	2
St. John Dryd. 5½% pf.	96½	100
Sincennes McN. com.	2	..
Un. Farmers Co-op.	3½	4
Waterloo Mfg.	..	7
Windsor Hotel com.	3	4
York Trading, com.	3¾	5

*Issue carries arrears.
†Currently paying on arrears.

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland Pete. pfd.	8,723	$4,800
Major Oil No. 6 pfd.	8,022	3,400
Major Oil No. 6 gr.	8,022	6,500

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.59	$12.53	$10.82
Hogs	16.80	16.80	15.75
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2162	.2179	.2070
Sugar, raw, lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	1.09⅛	1.03¼	.80⅜
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.0	103.1	98.5
Dow Jones (fut.)	93.08	93.13	86.42
Fishers	111.1	111.1	103.2
Monthly Indices			
Canada (D.B.S.):			
Retail (June)	118.5	118.1	116.7
W'sale (May)	99.2	98.9	95.2
U. S. (Apr.)	103.7	103.4	98.7
Gt. Brit. (Mar.)	162.2	161.7	158.8

Note:—The base of indices is that 1926 equals 100 †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic. New York. No. 7 coffee. Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Annual Meetings

1943:	Company	Place
July 19	Steep Rock Iron Mines	Toronto
July 23	East Kootenay Pwr.	Montreal
July 23	Ontario Nickel♦	Toronto
July 24	Consolidated Press	Toronto
July 28	Eastern Dairies♦	Montreal
July 29	Italo Argentine El.♦	Buenos Aires
Aug. 24	Can. Wire Boxes	Toronto
Aug. 24	Eastern Dairies*	Montreal

♦Special. *Bondholders.

Bond Tenders

5 p.m., July 20, Saint Hyacinthe, P.Q.—$444,000, 3½%, dated Aug. 1, 1942, redeemable by series to August, 1962. M. A. David, clerk.

July 15, Saint John, N.B.—$162,000, 2¾, 3, 3¼ and 3½%, due July 15, 1944-63.

12 noon, July 15, Canada Treasury Bills—$55,000,000, dated July 16, 1943, payable Oct. 15, 1943.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Shawinigan W.	*4%	1961	Oct. 1	103
Unit. Amuse. A▲	5%	1956	Aug. 1	103½
Wood, A. & J.	6%	1944	Aug. 1	103
Dom. Telegraph	†5½%	1978	Aug. 2	100
Can. Pac. Rly.	4½%	1946	Sept. 1	100½
Can. Breweries A	5½%	1946	Sept. 15	102
Do., ser. B	5%	1951	Sept. 15	100½
Do.	4½%	1945	Sept. 15	102

*$2,224,000. ▲$19,000. †$8,000.

Municipal Bonds

July 13, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.96
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.07
†Quebec	5	1959	113.75	116.75	3.62
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1965	119.00	122.00	3.35
†Vancouver	5	1950	108.00	111.00	4.31
Winnipeg	5	1944	100.00	103.25	1.98

†Payable Can. & N.Y. *Flat.

Wheat Prices

Winnipeg Grain Futures

Week of July 12, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close July 12
Wheat					
1.08⅝	.95½	July	1.09⅛	1.02⅝	1.08⅛
1.09⅜	.96	Oct.	1.09⅜	1.04	1.08⅞
1.09¾	.95⅝	Dec.	1.09¾	1.04½	1.09⅛
1.12⅜	1.06⅛	May	1.12⅜	1.07⅛	1.11⅜
Oats*					
.51½	.47⅝	July	.51½	.51½	.51½
.51½	.49⅝	Oct.	.51½	.51½	.51½
.51½	.51½	Dec.	.51½	.51½	.51½
Barley*					
.64¾	.62⅝	July	.64¾	.64¾	.64¾
.64¾	.62⅝	Oct.	.64¾	.64¾	.64¾
.64¾	.64	Dec.	.64¾	.64¾	.64¾
Rye					
1.02⅞	.65	July	1.02⅞	.98¼	1.00
1.03⅞	.70½	Oct.	1.03⅞	.97	1.01¼
1.02⅞	.87⅛	Dec.	1.02⅞	.96½	1.00½

*At ceilings.

Cash Quotations

Wheat:	For Week July 12 High	Low	Prev. Week High	Low
1 Nor.	1.09⅛	1.04¾	1.03¼	1.01⅝
2 Nor.	1.05⅜	1.01	.99⅛	.98¼
3 Nor.	1.00⅜	.95¼	.94½	.93⅜
4 Nor.	.95⅜	.91⅜	.89¾	.88⅝
5 Wheat	.94⅞	.90⅜	.88¾	.87⅛
6 Wheat	.92⅜	.87⅞	.86½	.84⅞
Oats:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.50½	.50½
Barley:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W.	1.02	.99⅛	.94⅞	.89⅛

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and cloth-ing	Food and allied prod.	Bever-ages	Bldg. mater.	Power and trac-tion	Banks	Total utili-ties	Total co's.
No. of Securities	8	7	3	4	10	12	7	15	15	8	19	95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	133.4	153.4	146.6	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.5	76.7	90.0	78.3
Feb.	94.0	75.8	88.3	67.2	117.4	89.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	93.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.6
May	104.0	89.3	91.6	67.9	119.9	88.7	128.1	91.4	101.0	80.5	106.2	83.7
1943: Weekly Figures:												
June 3	108.0	96.5	94.3	69.1	122.2	87.7	130.1	93.3	105.4	80.7	103.8	84.8
June 10	107.1	95.0	97.6	75.0	123.4	88.9	133.4	94.2	109.8	80.9	111.3	87.1
June 17	108.9	93.7	97.1	73.0	123.4	89.1	152.9	92.7	113.2	81.3	112.3	86.2
June 24	110.1	96.3	94.5	72.1	123.7	90.6	133.0	92.8	111.8	81.8	111.4	86.1
June 30	108.2	93.6	94.6	72.8	125.6	89.0	134.7	92.6	109.5	81.4	109.6	85.9
July 8	108.4	95.7	94.2	84.0	125.4	88.3	138.0	91.8	110.6	81.6	110.9	89.6

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 13	122.46	87.51	74.24	26.36
July 12	122.31	86.43	73.95	26.18
July 10	122.27	84.89	73.48	25.44
July 9	121.81	84.94	73.74	25.45
July 8	121.66	85.19	73.26	25.33
July 7	120.83	85.10	73.46	25.15
Month ago	119.07	84.39	73.91	25.81
Year ago	85.19	62.84	60.55	16.07
High 1943	122.46	87.51	74.33	26.36
Low 1943	98.85	70.64	63.57	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cmd.	10 Pprs.	15 Golds
July 13	62.8	79.8	74.1	125.38	65.43
July 12	62.6	79.6	74.0	125.66	64.94
July 10	62.6	79.6	73.9	122.43	65.28
July 9	62.5	79.6	73.9	121.02	65.61
July 8	62.3	79.1	73.5	111.37	66.08
July 7	62.8	79.5	73.9	108.41	65.34
Month ago	61.9	77.7	72.4	102.84	63.53
Year ago	43.5	56.3	52.1	54.83	40.65
High 1943	63.2	80.3	74.3	125.66	66.48
Low 1943	51.8	62.4	59.5	74.07	49.15

Dividends Declared

	This payment $	Date payable	Date of record
Anglo-Can. Tel. "A"	.15	Sept. 1	Aug. 10
Anglo-Can. Tel. pf.	.68¾	Aug. 2	July 9
Anglo Huronian	.10	July 22	June 15
Aluminum of C., p.	1.25	Aug. 1	June 30
Ault & Wiborg, pf.	1.37½	Aug. 3	July 2
Agnew Surpass	.40	Sept. 1	July 31
Do., extra	.20	Sept. 1	July 31
Do., pref.	1.75	Oct. 1	Aug. 31
Bathurst Pr.&P. A	.25	Sept. 1	July 30
Belding Cort.	1	Oct. 1	Aug. 31
Do., pref.	1.75	Oct. 1	Aug. 31
Bertram & Sons	.15+.05	Aug. 16	July 31
Blue Ribbon, pfd.	.62½	Aug. 1	June 30
Calgary Power pfd.	1.50	Aug. 2	July 10
Caldwell Linen, pf.	.38	Aug. 2	June 30
Do., 2nd pref.	.20	Aug. 2	June 30
Canada Starch, pf.	▪3.50	Aug. 15	Aug. 8
Canadian Oil, c.	.25	Aug. 14	July 30
Can. Bk. of Com	1.50	Aug. 2	June 30
Can. Bronze	.37½	Aug. 2	July 9
Do., pref.	1.25	Aug. 2	July 9
Can. Gen. Elec.	.2	Oct. 1	Sept. 13
Can. For. Inv., pf.	▪2	Oct. 1	Sept. 1
Can. Converters	.50	July 31	June 18
Can. Int. Inv. Tr., p.	.50	Sept. 1	Aug. 2
Can. Investors	.10	Aug. 2	July 5
Can. Pacific Rly pfd.	2	Aug. 3	June 30
Can. Wallpaper, A B	1	July 21	July 7
Can. Nor. Power	▪.15	July 26	June 19
Can. Breweries, pf.	.85	Oct. 1	Aug. 16
Commoil	.00½	Aug. 23	Aug. 7
Consolidated Press A	.40	Aug. 16	Aug. 2
Crown Cork	.50	Aug. 16	July 15
Distillers Seag., pf.	†1.25	Aug. 2	July 15
Dominion Bank	2	Aug. 2	July 15
Dom. Fabrics	.20	Aug. 2	July 15
Do., 1st pref.	.75	Aug. 2	July 15
Do., 2nd pref.	.37½	Aug. 2	July 15
Dom. Oilcloth	.30+.10	July 30	June 30
Dome Mines	▪.40	July 30	June 30
Dom. Scot. Inv. pf.	.50	Sept. 1	Aug 2
Dom. Tar & Ch., p.	1.37½	Aug. 2	July 2
Eastern Steel	.25	Sept. 1	Aug. 14
Foundation Co.	.35	July 23	June 30
Guaranty Trust	1.25	July 15	June 30
General Trust pf.	1.25	July 15	June 30
Gordon & Belyea A.	2	Aug. 2	July 24
Do., com. B	.40	Aug. 2	July 24
H. Smith Paper, p.	1.50	July 20	June 30
Hydro El. Secs. B pf.	.25	Aug. 2	June 30
Imperial Bank	2	Aug. 2	June 30
Intern. Holdings	.50	Aug. 16	July 15
Inter. Nickel, pfd.	†1.75	Aug. 2	July 6
Invest. Found.	.75	Oct. 15	Sept. 15
Inter. Util. pr. pf.	§†.87½	Aug. 1	July 21
Int. Metal, pf. A pf.	1.50	Aug. 2	July 15
Kerr Lake Mines	†.05	Aug. 20	Aug. 5
Leitch Gold	.02	Aug. 14	July 15
Langley's pref.	▪.50	Sep. 11	Sep. 3
Do.	▪.50	Dec. 11	Dec. 3
Levy Bros.	.10	Aug. 2	June 28
Lindsay, C. W.	2	July 31	June 30
Lake of Woods M.	.30	Sept. 1	Aug. 2
Do., pref.	1.75	Sept. 1	Aug. 2
Mtl. Light & Power	.38	July 31	June 30
Laura Secord	.20	Sept. 1	Aug. 2
Loblaw Groc. A,B	.25	Sept. 1	July 30
Massey Harris pfd	.62½	Sept. 15	Aug. 14
McIntyre Porc.	.55½	Sept. 1	Aug. 2
Nor. Ont. Pwr.	.12	July 26	June 30
Do., pref	1.50	July 26	June 30
Ogilvie Flour	.25	Oct. 1	Aug. 30
Do., pref.	1.75	Sept. 1	July 30
Ont. Steel Prod.	.25	Aug. 16	July 16
Do., pref.	1.75	Aug. 16	July 16
Ottawa L. Pr.	.15	Oct. 1	July 9
Do., pref.	1.25	Oct. 1	July 9
Pacific Coyle Nav.	.03	July 15	July 10
Paton Manfg Co.	1	Sept. 15	Aug. 31
Do., pref.	1.75	Sept. 15	Aug. 31
Penmans	.75	Aug. 16	July 16
Do., pref.	1.50	Aug. 2	July 2
Pend Oreille M.	†.06	July 28	June 26
Prov. Transport	.20	Aug. 14	Aug. 4
Quebec Power	.25	Aug. 25	July 23
Regent Knit., pfd.	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
Rolland Paper	.15	Aug. 16	Aug. 6
Do., pref.	1.50	Sept. 1	Aug. 16
St. Law. Flour	.35	Aug. 2	June 30
Do., pref.	1.75	Aug. 2	June 30
Saguenay Pwr., p.	1.37½	Aug. 1	July 15
Shawinigan W.	.23	Aug. 25	July 23
Silbak Prem.	.03	July 26	June 25
Sigma Mines	▪.30	July 28	June 28
Sherwin-Wms., com.	.15	Aug. 1	July 10
Silverwood D.	.20	Oct. 1	Aug. 31
Do., pref.	.20	Oct. 1	Aug. 31
Simpsons, pfd.	1.62½	Aug. 2	June 30
South Can. Pwr.	▪.20	Aug. 16	July 20
Stand. Chemical	1.25	July 31	June 30
Steel of Can.	.75	Aug 2	July 7
Do., pref.	.75	Aug. 2	July 7
Toburn Gold	.01	Aug. 23	July 22
United Corp. (A)	.38	Aug. 16	July 15
United Grain, A	1	Sept. 1	July 31
Do., B	.25	Sept. 1	July 31
United Fuel A	.75	Oct. 1	Sept. 10
Upper Can. Mines.	.02½	Aug. 28	Aug. 14
Walker H. Good	1	Sept. 15	Aug. 13
Do., pref.	.25	Sept. 15	Aug. 13
Weston, Geo., pfd.	1.25	Aug. 2	July 8
Wood, A. & J., pfd	•1.75	Aug. 1	July 15
Zellers	.20	Aug. 1	July 15
Do., pref.	.37½	Aug. 1	July 15

†N. Y. funds. ▪Subject to approval of Foreign Excange Control Board.

•Net after deducting corporate income tax.

§Subject to approval of Securities and Exchange Comm., payable out of capital surplus.

Doubt Ration Increase Under Eased Shipping

U. S. Expanded Coffee Allowance Due to Overlapping Government Authorities, and Will Likely Be Reduced by Fall

By STAFF WRITER

OTTAWA.—Easing of the United Nation shipping situation, while ensuring adequate supplies of rationed foods such as tea, coffee and sugar, holds out no present hope that the ration will be increased, The Post is informed.

The increase in the coffee ration in the U. S. is attributed here to a conflict between overlapping governmental authorities and that the ration will likely have to be reduced by winter. One U. S. authority is said to have landed an excess supply of coffee, but another authority wouldn't buy it for stockpile, so the trade had to take it over. The trade wasn't willing to carry the excess so the ration was increased—temporarily.

Ottawa food experts point out that while every effort is made by shipping authorities to provide Canada with her minimum requirements of scarce or rationed foods, once anything above the ration is discussed, it drops to a very low priority. Our basic rations of tea, coffee and sugar get very high priority. Anything more than that goes quickly to a low position.

"Minor Adjustments" Only

In the case of sugar, the supply situation (even if there were plenty of shipping space) is not considered nearly good enough to warrant anything more than "minor adjustments" in present arrangements. True, there was a two million lb. carryover in Cuba and San Domingo last year but experts advise that this should be considered as United Nation stockpile and not as being available to expand North American consumption. British authorities are inclined to the view that in light of probable world needs in the next year or two as various countries are liberated, the United Nation stockpile is far from comfortable and is probably low rather than adequate.

As to what is meant by "minor adjustments" in the Canadian quota, it seems likely that if a way can be found to handle it, the government would like to make more sugar available to country users for canning purposes. At the moment no way of solving this problem has been found.

No Sugar Increase

By and large, though no increase in the sugar ration is deemed possible or desirable, special situations (such as the above) and which might altogether amount to, say, 5% of our total consumption, may now receive attention. Nothing more optimistic is warranted by present circumstances, according to experts.

As yet, Canada has had no confirmation of earlier reports (and hopes) that a considerable supply of peanuts might be coming through from India. Nor has there been any change in the North African situation since the close of the Tunis campaign. It is thought likely that United Nation authorities are building stockpiles of any figs, dates or supplies which have become available rather than shipping them to North America.

15% Cut Probable

No decision has been reached as yet regarding Australian dried fruits except that the increase in troop formations in the Pacific is tending to whittle away supplies. The present view is that the best we could hope for next season would be shipments about equal to pre-war, but a cut of 15% to 20% is not improbable. Such a situation, however, does not provide much relief to present hungry retailer shelves.

CNR's Postwar Capital Plans

Canadian National Railways' recently announced proposals for reconstruction involve potential expenditure of $640.4 millions. In the table below column A indicates projects which would expand the company's field of operations; column B lists self-liquidating projects; column C those desirable but economically marginal; and column D those said to be desirable but not productive of economy to the railway.

CANADIAN NATIONAL RAILWAYS

Capital Expenditures Designed to Relieve Postwar Unemployment

	A	B	C	D	Total
	(Thousands of dollars)				
New lines and diversions	$59,500	$10,325	$24,775	$10,450	$105,050
Rails and fastenings	...	66,875	2,734	...	69,609
Ties	...	57,800	...	...	57,800
Ballast	...	28,000	35,200	...	63,200
Cuts and fills	...	...	7,400	...	7,400
Embankment protection	...	...	2,060	...	2,060
Drainage	...	825	16,450	250	17,525
Crossings, roadway and paving	...	...	300	400	700
Right-of-way and snow fencing	...	820	1,050	620	2,490
Large terminals	...	4,000	7,200	5,500	16,700
Yard and passing tracks	...	2,360	3,495	655	6,510
Roadway machines	...	2,268	...	...	2,268
Bridges and culverts	...	1,275	30,521	37,000	68,796
Tunnels	...	150	2,364	10,000	12,514
Crossing elimination or prot'n	...	...	250	17,532	17,782
Buildings	...	1,805	10,650	7,825	20,280
Water supplies	...	2,135	...	...	2,135
Fuel stations	...	750	500	600	1,850
Enginehouses, turntables, etc.	...	765	2,136	415	3,316
Locomotive and car shops	...	1,374	2,587	715	4,676
Docks and wharves	...	3,000	60	1,900	4,960
Signals and interlocking	...	10,200	1,800	4,210	16,210
Equipment	...	7,446	96,000	...	103,446
Shop machinery	...	1,000	...	...	1,000
Telegraph and telephone	...	750	5,300	...	6,050
Electrifying lines	...	2,850	2,400	...	5,250
Surveys	...	...	...	450	450
Fire protection	...	...	250	15	265
General unforeseen	...	...	...	5,000	5,000
Steamships	...	...	15,000	...	15,000
Total	$59,500	$206,773	$270,482	$103,537	$640,446
	(Thousands of Man Days)				
Railway labor	6,100	21,300	27,800	10,700	65,900
Labor furnishing materials	2,700	9,500	12,400	4,800	29,400
Total	8,800	30,800	40,200	15,500	95,300

Life Expectancy Baby Chicks Boosted By Rationing

One result of the meat shortage is to give baby male chicks a longer expectation of life.

In previous years, at large hatcheries, it was customary to destroy a large proportion of the male birds just as soon as sex could be determined. Reason was demand ran mostly to females required for egg production and relatively few males were wanted.

Now that is all changed. Farmers are buying large numbers of little cockerels to feed and sell as broilers.

Low cost of production and a ready market for broilers eight to ten weeks old makes the proposition attractive especially on farms where there is milk and ground grain mixture to feed.

Winnipeg Wheat

War News Strengthens Wheat

1942 Carry-over Will Up Current Crop Output

From Our Own Correspondent

WINNIPEG.—War developments have probably been the most important factor in the growing strength of the wheat market, in bringing closer the time when Canadian wheat will be required in great quantities for feeding populations released from German domination, and when transport may be available to carry it. There has been frequent mention of deteriorating crop prospects in certain parts of western Canada as having given rise to some buying, but it may be doubted if that factor has been of great importance.

It has been known for months that the wheat acreage in western Canada this year is small. Large wheat production is in consequence impossible while, on the other hand, there is a large enough carry-over of wheat on farms from the 1942 crop to make the probable total farm supplies of wheat equivalent to the production of a large crop. A possible variation, therefore, of 25 or 50 million bushels in 1943 wheat production is not as significant as it might otherwise be, a situation which is further emphasized by the large quantities of wheat to be in the visible supply at the end of the crop year.

Russia to Take Surplus?

Some market observers have been attaching a good deal of importance to reports of negotiations between Russia and Canada for absorption by the former of a large part of the Canadian wheat surplus as soon as transportation can be found to move it. A former transaction involved a comparatively small quantity of wheat, to be paid for by Russia. Current reports cover possible transfer by Canada, without payment, as part of the common war effort, of 100 million bushels or more. Whether such negotiations have actually taken place or not, the essential facts of the situation have long been obvious, that Russia would be able to use, once it could be transported, a great part of the wheat now in store in Canada.

It would be thought important, however, from a market standpoint, if a large part of the holdings of the Canadian Wheat Board had been definitely ear-marked for disposal to Russia, making unlikely any great volume of offerings by the Board at any one time.

Deliveries Kept Up

The technical structure of the wheat market at the moment is highly important in maintaining its strength. A steady stream of new deliveries is being offered by farmers, and there is enough wheat in the stored stocks of old wheat on farms and in the growing crop to keep up these deliveries practically to the capacity of country elevators. But, with elevator channels practically filled, such wheat can flow into the elevator system at one end only as fast as corresponding quantities are withdrawn at the other. New deliveries consequently are bound to be closely in balance with actual disappearance into consumer channels.

The contrast is great between present conditions, when the elevator system is almost filled to capacity, with that which prevailed while the present storage stocks of wheat were being accumulated, and when space in elevators and temporary annexes was being filled up. At that time offerings came at a much greater speed than rate of disappearance. In essence, wheat was then being sold by farmers to go into storage, and the price level had to sink to what would be paid by the storing interest, the Canadian Wheat Board, which had only one price, the initial payment authorized by Parliament.

400 Million Bushel Bloc

Besides new deliveries by farmers, there is a bloc of Canadian wheat of approximately 400 million bushels in the visible supply. A portion of this, but probably much the smaller part, may be put up for sale, whenever current demand exceeds new offerings by farmers. Much of it is held by the Canadian Wheat Board, but of such supplies a large part is not available for immediate sale, because it is stored at points, in terminal elevators at the Pacific Coast, at Churchill or in country elevators, where it is not presently in saleable position.

Quite possibly a considerable part of Board stocks may be held against sales it has made for future delivery. Presumably a large part of the wheat in store in terminal elevators at the head of the lakes or at eastern points, is in the hands of exporters who have contracted to deliver it for the British Cereals Import Board, the Commodity Credit Corporation of the United States or that of an importer in Portugal.

Much of the wheat in country elevators, recently delivered by farmers, is in the hands of elevator companies who have, however, sold it for future delivery. Outstanding contracts for futures are to some considerable extent held by interests who really want the wheat in question at the time for which delivery has been specified. That there is some trading interest in the market is certain, representing wheat that may be offered for resale when the holders deem the time propitious, or when they become tired of holding it. On the whole, though, most of the supply of Canadian wheat may be said to be in the hands of strong interests, not likely to be easily moved to resell what they have bought.

Farmers Withhold Wheat

In some districts of the West a definite tendency on the part of farmers to hold on to wheat stocks, presumably in the expectation of higher prices, has been noted. It has appeared mainly in those areas where current crop prospects are not promising, and where farmers expect that they will be filling delivery quotas in the new crop year from old crop wheat. It has been observed to a lesser extent where growing crops promise well. Farmers have been told that their deliveries during the coming crop year will be limited to 14 bushels per authorized acre, which means a maximum for the West of 280 million bushels, the authorized acreage for the West being approximately 20 million acres, against an actual seeded acreage of about 17 million acres.

But farmers are beginning to calculate that the announced restriction is likely to be modified. They believe that if wheat moves out of Canada in sufficient volume to make room for larger deliveries, they will not only be allowed, but invited to bring forward all additional supplies available for which there is room. The quantities deliberately held back are not so far important in the aggregate, as such a policy can only be followed by farmers well equipped with storage space.

Weather Varies Crop Prospects

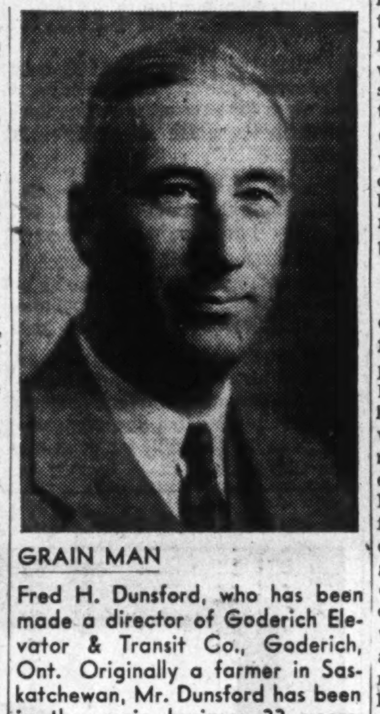
Wheat Prices Continue to Hold Recent Upward Trend

From Our Own Correspondent

WINNIPEG.—Prices on the Winnipeg wheat market showed a further advance at the beginning of this week and, as has now been the case for a considerable time, the underlying tone of strength in the market and its absorptive power seemed even more important than the price changes recorded. Crop conditions throughout the West are so varied that it is difficult to arrive at a satisfactory statement of the situation. Manitoba as a whole has had an abundance of rain, more in most localities than has been desired. Some of the crop has commenced to lodge on account of growth of straw. Over most of the province farmers expect good yields and many of them very good. But the seeding season was so long that crops are to be found in all stages of growth, some of it well advanced for this period of the growing season and some very late.

Crop Conditions Vary

It is hard to imagine weather conditions that will fit satisfactorily the varying needs of crops in these different stages. Saskatchewan and Alberta have had much less rain on the whole than Manitoba, although in parts of each province moisture conditions must be regarded as entirely satisfactory. In other sections dryness has been so prolonged that serious deterioration has taken place, in some areas beyond possibility of recovery. In still others substantial improvement can still be hoped for. Final results probably will show yields of all types, ranging from total or almost total failure in some places to good and perhaps to bumper yields in others.



GRAIN MAN

Fred H. Dunsford, who has been made a director of Goderich Elevator & Transit Co., Goderich, Ont. Originally a farmer in Saskatchewan, Mr. Dunsford has been in the grain business 33 years.

May Receive More U. S. Coal

Combined Resources Board Meeting in Ottawa Brings Frank Discussion

By STAFF WRITER

OTTAWA.—Most important result of the recent Ottawa meeting of the Combined Resources and Planning Board is expected to be increased consideration at Washington of Canada's coal position. Donald Nelson was given firsthand facts and figures as to how Canadian imports had suffered by reason of late navigation and U. S. labor troubles and details of steps taken in Canada to improve domestic output. Current lag in imports is estimated at about 2½ million tons.

Mr. Nelson promised that action would be taken to give Canada a better-than-even break and make available as much coal as possible prior to close of navigation.

Mr. Nelson expressed optimism about the synthetic rubber situation and thought that the situation would "ease remarkably from the end of the year on." He gave no hope that there would be adequate supplies of gasoline for both war and civilian use till after the end of the war.

He paid warm tribute to the job which Canada had done in the past three months in converting war plants to new weapons and productive purposes. He thought the Canadian job was beyond anything that might have been expected three months ago.

Easily the highlight of the meeting of the Combined Resources and Planning Board held here for the first time last week was the memorable lesson given the American visitors on just how the Canadian war production and control machinery is co-ordinated.

It was clearly an eye-opener to the visiting celebrities to see and hear at firsthand the inner workings of Canadian war controls and war production. Donald Nelson personally paid tribute to this in his press conference and described the Canadian setup as a "very interesting organization, very efficiently organized."

Coming from a land where internal and interdepartmental strife and confusion is a constant source of public discussion, the Canadian scene struck these visitors as little short of Elysian.

Cotton Imports Are Restricted

Supplies From Britain Now Limited to Yarns and Essential Fabrics

From Our Own Correspondent

MONTREAL.—British cotton textile fabrics imported into Canada will be restricted to those necessary for war requirements, and special industrial uses, under an arrangement jointly announced by the Wartime Prices and Trade Board and the Cotton Board in England.

Under the plan approved by the Combined Production and Resources Board, production of cotton textiles for supply from the United Kingdom to Canada will, while present circumstances prevail, be restricted to highly essential yarns, with a limited poundage of fabrics for war requirements and special industrial uses which cannot be obtained or substituted domestically in Canada or the United States.

The supply of United Kingdom cotton yarns to Canada will be maintained as in past months. Only those types of fabrics which cannot be supplied on this continent may still be imported.

This arrangement goes into effect with the beginning of the July-September quarter year and henceforth cotton fabrics needed in Canada for other than war purposes will be supplied by domestic and American mills.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.53	3.85
Can. Inf. Trust	4.50	5.25
Can. Invest. Fund	3.85	4.20
Can. Investors	5.25	6.25
Corp. Investors	6.15	6.60
Trans-Canada	10.90	11.25

United Corp's. Plan Passed by Shareholders

United Corporations Ltd.'s new issue of $3 millions of bonds, sold to Wood, Gundy & Co., has been approved by shareholders of the company. At the same time it is announced the corporation will not be making any conversion offer directly to the present bondholders.

Shareholders approved a by-law authorizing refunding of the corporation's outstanding $2,986,400 5½% income bonds, series A, due 1953. They will be redeemed on Aug. 25 next and replaced with $400,000 of serial 3% bonds; $400,000 of serial 3½%'s and $2.2 millions of 4% bonds maturing in 1958.

DIVIDEND NOTICES

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared on the Preferred Shares of the Company, payable on September 1st, 1943, to Shareholders of record at the close of business on August 2nd, 1943.

By Order of the Board.

D. A. MacINNES, Secretary.

NOTICE IS HEREBY GIVEN that the regular quarterly dividend of 30 cents per share has been declared on the outstanding shares of the Common Stock of the Company, payable on September 1st, 1943, to Shareholders of record at the close of business on August 2nd, 1943.

By Order of the Board.

D. A. MacINNES, Secretary.

The Canadian Bank of Commerce

Dividend No. 226

Notice is hereby given that a dividend of one and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st July, 1943, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd August next, to shareholders of record at the close of business on the 30th June, 1943. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD, General Manager.

Toronto, 24th June, 1943.

The Dominion Bank

Dividend No. 243

Notice is hereby given that a dividend of two per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st July, 1943. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of August, 1943, to shareholders of record of the 15th July, 1943.

By Order of the Board.

ROBERT RAE, General Manager.

Toronto, 10th June, 1943.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to Shareholders of record the 10th day of July, 1943, and that cheques will be mailed on August 1, 1943.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Que. June 10, 1943.

DIVIDEND NOTICES

BATHURST POWER AND PAPER CO. LTD.

Notice of Dividend on Class "A" Shares

The Board of Directors has to-day declared a quarterly dividend of Twenty-five cents (25c) per share on the outstanding Class "A" shares of this Company, payable on the 1st day of September 1943, to shareholders of record at the close of business on the 30th day of July, 1943.

H. J. WEBB, Vice-President and Treasurer.

July 9th, 1943.

Anglo-Canadian Telephone Company

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and Three-eighths percent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending July 31, 1943, payable August 2, 1943 to Stockholders of record at the close of business on July 9, 1943.

By Order of the Board,

CAMERON HOUGH, Secretary.

Montreal, June 16, 1943.

Anglo-Canadian Telephone Company

CLASS A DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and One-half percent (1½%) has been declared on the Class A Stock of the Company, payable September 1, 1943, to Stockholders of record at the close of business on August 10, 1943.

By Order of the Board,

CAMERON HOUGH, Secretary

Montreal, June 18, 1943.

DIVIDEND NOTICES

LOBLAW GROCETERIAS CO. LIMITED

NOTICE is hereby given that a quarterly dividend of 25 cents per share on the class "A" shares, and a quarterly dividend of 25 cents per share on the Class "B" shares of the Company have been declared for the quarter ending August 31st, 1943, payable on the 1st day of September, 1943, to shareholders of record at the close of business on the 30th day of July, 1943. The transfer books will not be closed. Payment will be made in Canadian funds.

By Order of the Board.

R. G. MEECH, Secretary.

Toronto, July 9th, 1943.

PRIVATEER MINE LIMITED

Dividend No. 19

NOTICE is hereby given that a dividend of two cents (2c) per share has been declared by the Directors of Privateer Mine Limited, payable in Canadian Funds, on the 10th day of August, 1943, to shareholders of record on the 25th day of July, 1943, subject to the approval of the Foreign Exchange Control Board.

By Order of the Board,

W. S. LANE, Secretary.

Vancouver, B.C. July 8th, 1943.

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Grain Merchants Shippers and Exporters

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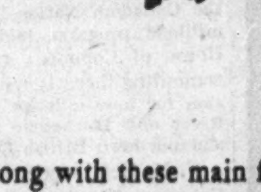
QUANTITY OF MONEY and volume of credit are matters of high national monetary policy.



Canada's Chartered Banks exist to perform two main services:

1. They receive the savings and other funds of the public, who thus build up bank balances in the form of savings and current accounts.

2. They advance short term loans to persons or enterprises needing money and able to repay within a stated period.

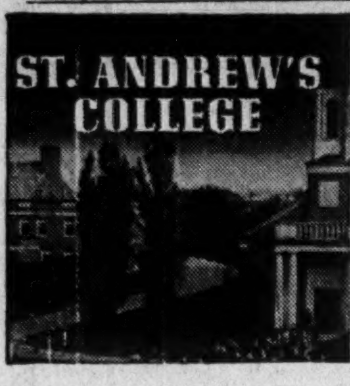
Along with these main functions the banks, through more than 3,000 branches and sub-agencies, render a large number of other important services related to local and national needs—services which have greatly increased as a result of the war.

But the quantity of money in existence in the country at any given time, and the volume of credit, are matters of high national monetary policy. The nation's own central bank, the Bank of Canada, determines them. The Bank of Canada makes extensive use of the Chartered Banks' facilities in giving effect to these policies.

The Chartered Banks' responsibility, clearly established and regulated by the Bank Act, is in the realm of commercial banking—that is, to receive deposits and to serve the needs of trade and industry.

THE CHARTERED BANKS OF CANADA

SCHOOLS AND COLLEGES



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● Modern buildings—chapel—219 acres of unsurpassed grounds—gymnasium—swimming-pool—dramatics—music—cadet corps. Sound preparation for University, including Honour Matriculation. Small classes; individual, sympathetic instruction. Carefully supervised athletics and recreation. Excellent tuition for boys eight years and over. For prospectus and book of views please write to the headmaster: J. C. Garrett, M.A.

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ALBERT COLLEGE
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GRAHAM HALL For Boys and Young Men — THE MANOR For Girls and Young Women
Courses Offered:
Public, Lower, Middle School
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Principal and Head Master Rev. Bert Howard, D.D.
Illustrated prospectus on request.
Early registration advisable.

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Alma College
FOUNDED 1877
ST. THOMAS ONTARIO
For Illustrated Prospectus with full information regarding courses, fees and College life, write to the principal, Rev. P. S. Dobson, M.A., D.D., St. Thomas, Ontario.
REOPENS SEPTEMBER 9th

BRANKSOME HALL
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A Residential and Day School for Girls
Junior and Honour Matriculation—Nursery, Kindergarten and Junior School—Art—Music—Household Economics—Secretarial Course—Swimming Pool—Skiing at School Farm
School re-opens Wed. Sept. 8th
For illustrated calendar write the Principal
MISS EDITH M. READ, M.A. LL.D

BOYS PREPARED FOR UNIVERSITY
THE SERVICES AND BUSINESS
BOARDING AND DAY SCHOOL
Preparatory School, ages 7 to 13
Upper School, ages 13 to 18
COURSES: Grade 2 to University Entrance. Cadet Training and Civilian Defence Activities. Twenty-five acres of playing fields, gymnasium and swimming pool. Autumn Term opens September 15th.
FOUNDED 1829
For Prospectus apply to L. M. McKENZIE, B.A., Principal
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TORONTO • CANADA
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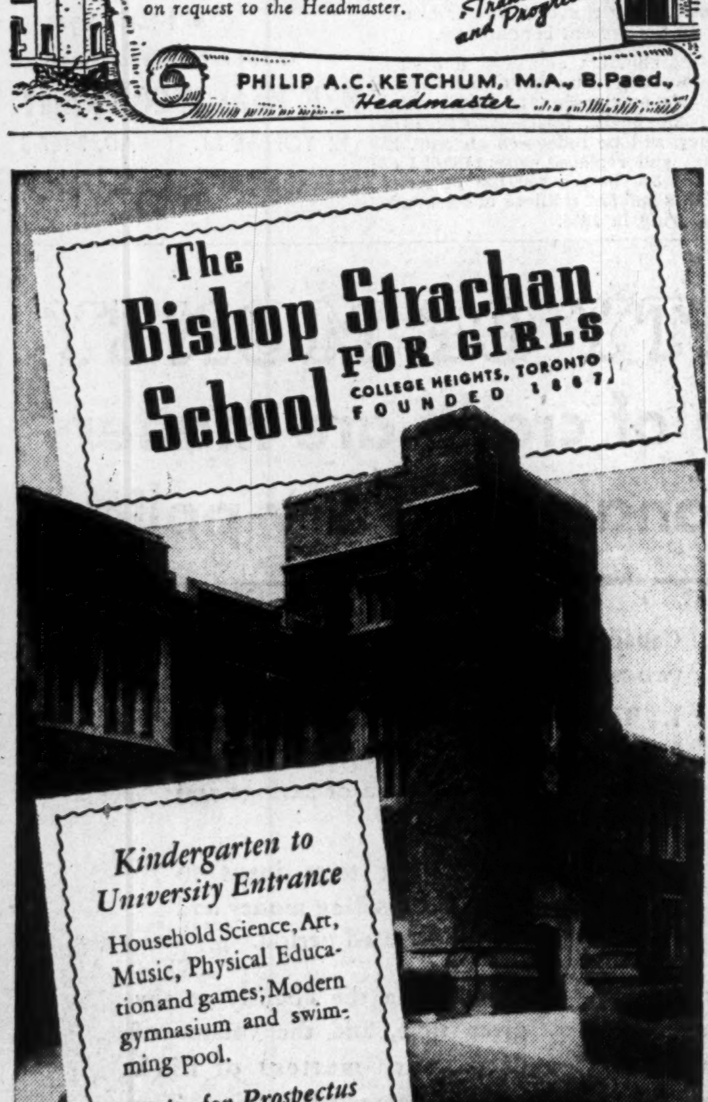
A Boarding School in the Country for Boys from 8 - 18 years of age
Separate Junior School
A thorough training is given in all the elements of good citizenship.
During the past eight years thirty-three University Scholarships have been won by boys from this school.
All senior school boys belong to the Cadet Corps and attend classes in military studies.
Applications for entry in January, 1944, and September, 1944, are now being received. There are vacancies in the Junior School for September, 1943, and it is just possible there may be some places open in the Senior School in September, 1943.
MICHAELMAS TERM BEGINS ON SEPT. 15TH.
Full information will be gladly sent on request to the Headmaster.
Tradition and Progress
PHILIP A.C. KETCHUM, M.A., B.Paed., Headmaster



We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Tenant Improves House

I own some houses which I rent. This year one of my tenants, who has occupied the same house for a number of years, is making some substantial improvements at his own expense. Do I have to take this into my income for tax purposes?

No. It is not necessary to take the value of these improvements into your income for tax purposes. It is treated the same as a legacy or a personal gift.

Non-resident Returns

A Canadian who has been living in South America for many years plans to return to Canada in September to take up permanent residence. Will he be liable for Canadian income tax for his total earnings in 1943 or only from the date he takes up residence here? What about the dividends received from Canadian stocks up to Sept. 1 and full income tax after that date?

He will be expected to pay Canadian income tax on his total income for the full year. In regard to dividends received up to Sept. 1, he will be subject to non-resident tax. He should then notify the companies in which he has investments of his change of residence, so they will discontinue deductions. Then when calculating his total tax for the year he will be entitled to a credit for the non-resident tax already deducted.

Cost of Medicine

Is the cost of medicine to be included in one's medical exjenses when computing the latter for income tax purposes?

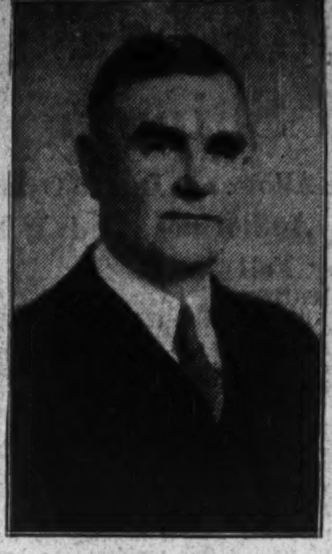
If you are in a hospital and the medicine is part of the hospital bill, you may include it as part of your medical expenses as a deduction for tax purposes. If you are at home you would probably be allowed only the cost of medical attendance. It would be well, however, to take up the matter with the income tax people as there might be some special circumstances which might affect their decision.

INVESTMENTS

Consolidated Paper

Will you please let me have a report on the bonds of Consolidated Paper Corp.?

Consolidated Paper 5½% bonds are a reasonably attractive businessman's purchase around the current market value of 80. At this level the bonds return a yield of over 6%. While the outlook for the newsprint companies is not as clear-cut as it might be, especially in the postwar period, nevertheless it is believed that the company will be successful in maintaining earnings at a level sufficient to cover interest requirements. Last year the company earned bond interest charges three times over before depreciation and 1.22 times after depreciation. This was slightly less than the year before. Financially the company occupies the best position it has ever reported, with net working capital of $18.6 millions.



VICE-PRESIDENT

W. E. Meikle, who has been appointed vice-president of Osler, Hammond & Nanton Ltd., Winnipeg brokerage firm. Mr. Meikle was made a director of the firm, which this year celebrates its 60th anniversary, when it was formed under the present name in 1924.

A National Duty—
AN INVESTMENT OPPORTUNITY
There is no type of investment available in this country which, from the standpoint of security of principal, attractive interest yield and ready marketability, can compare with DOMINION OF CANADA BONDS
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Big Highway Growth For British Columbia

Provincial Government Outlines $210 Millions Dominion-Provincial Program for Postwar Period to Develop Resources

From Our Own Correspondent

VANCOUVER.—Postwar planners are busy in British Columbia as well as elsewhere, but so far the only definite objectives set on a large-scale pattern are concerned with highways.

Premier John Hart, as previously reported in The Financial Post, has already placed his government on record for new connections with the Alaska military highway to eliminate by-passing of the populous and industrialized zones on the Pacific coast by traffic moving to and from the far northwest.

Now Hon. Herbert Anscomb, Provincial Minister of Public Works, announces a $210 millions highway program to be inaugurated after the war provided that the Dominion Government co-operates.

The various projects within the province outlined by Anscomb are as follows:

- Trans-Canada highway—$44.1 millions.
- Southern transprovincial highway—$53 millions.
- Island highway—$18.6 millions.
- Northern transprovincial highway—$24.6 millions.
- B. C.-Peace River-Yukon-Alaska connection—$23.7 millions.
- Cariboo highway—$15.4 millions.
- North Thompson River highway — $7 millions.
- Vancouver - New Westminster express highway—$11.2 millions.
- Parks highways—$11.8 millions.

The objective is to modernize and extend the whole highway system of the province, bringing them into conformity with the requirements of postwar road transportation.

"The program . . . far surpasses the dreams of the people and will play an important part in the provincial economy in the years to come," says Anscomb. "There is no difference whatsoever between the principle of a road system that leads, in advance, to industry and tourist development and the hydroelectric program that must be planned and produced before industry can be established."

Depends on Dominion Aid

The plan is predicated on the assumption that the Dominion Government will appropriate large sums for a period of years after the war for postwar reconstruction, $100 millions having already been suggested as an appropriation for the first year.

The British Columbia program has been worked out in conjunction with the members of the highway board on a basis of first-class highways east and west, north and south, with direct feeders to the United States at ten specific points along the American border.

Expenditure on labor alone would provide an annual income of $1,800 for each of the 9,000 men required for many years, exclusive of employment created by the purchase of materials, it is claimed.

Railway Developments

Of special interest to British Columbia, too, are the plans of Canadian National Railways and the Canadian Pacific Railway for expansion in the northwest. As a part of the Canadian National's great $640 millions program laid before the House of Commons reconstruction committee there is tentative provision for new mileage in the Peace River and Mackenzie River basins and northern British Columbia.

W. M. Neal, vice-president of the Canadian Pacific Railway, was in Vancouver a few days ago, fresh from a tour that carried him through the northern British Columbia, Yukon and Alberta districts and he expressed his conviction that much of Canada's economic future lies in that territory.

"This vast development is only a pinpoint on what may be expected when the present era of exploration in the north is ended," said Mr. Neal.

The growth of some of the settlements along the route of the Alaska Highway has been almost incredible. Dawson Creek, for instance, a village of 800 people before the highway was built, now boasts a population of 12,000 exclusive of the army.

The boom in the north country as a result of highway and pipeline construction and other wartime projects has already dwarfed the stampede that made the Klondike famous more than 40 years ago.

New Books

League Work Continues

THE TRANSITION FROM WAR TO PEACE ECONOMY—By the League of Nations Delegation on Economic Depressions. Cloth, $1.50; Paper, $1.

A small committee under chairmanship of Sir Frederick Phillips, was appointed by the League of Nations Council in 1938 to report on the measures that might be employed "to prevent or mitigate economic depressions."

Since the outbreak of war, the committee has been giving special consideration to the methods and the measures, both domestic and international, by which as smooth a transition as possible from war to peace economy may be accomplished and a disastrous postwar depression avoided. This vital and urgent problem is the subject of the present 118-page report, which forms Part I of the general report. Part II, dealing with the longer range problems of fluctuations in economic activity in peacetime, will be issued later.

The report was completed at a series of meetings held in April, 1943. Graham Towers, Governor of the Bank of Canada, is a member of the committee.

New Wartime Regulations

Maximum Manufacturers' Prices of Certain Groceries. WPTB order 288, June 22, amends order 116 by deleting table salt from the list of specified groceries. Chairman, WPTB, D. Gordon.

• • •

Nail, Machinist and Sundry Handled Hammers. WPTB order A-796, June 30, regulates the manufacture of hammers to certain specified numbers and designs. Adm. of Fabricated Steel and Non-Ferrous Metals, H. H. Foreman.

• • •

Leather Soles for Footwear. WPTB order A-798, June 30, revokes order A-497 and substitutes new regulations for the processing or using of leather soles. Adm. of Footwear, L. Daoust.

• • •

Agricultural Hand Tools. WPTB order A-795, June 30, gives the specifications to be followed in the manufacture of hand forks, hand hooks, hand rakes, hoes and cultivators. Adm. of Fabricated Steel and Non-Ferrous Metals, H. H. Foreman.

• • •

Warm Air Furnaces. WPTB order A-800, July 2, revokes section 3 of order A-476 and substitutes regulations covering the weight of iron and steel to be used in the manufacture of furnaces.

Score a hit on your next duplicating job. Load up with Script Mimeo Bond. There's less chance of clogging and plucking when you use this fine mimeographing stock. Its fuzz-free surface forestalls trouble, saves time, temper and paper. You'll score a non-stop record with popular Script Mimeo Bond. Take your choice of white, blue, green, buff or pink at leading dealers everywhere.

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A PROVINCIAL PAPER

A STEEL helmet to protect the fighting man—a staunch, efficient roof to guard your plant against weather attack.

With the roof there is always the risk of costly damage and delay resulting from leaks caused by weather sabotage—unless you offset the risk by means of Murray Roof Inspection Service. If yours is a Murray "Registered Roof" of Built-up Pitch and Gravel you have the finest security it is possible to obtain.

Long experience in the roofing business in Canada, as demonstrated by the "case histories" in our permanent files, has convinced us of the superiority of Coal Tar Pitch as a roofing material for Canadian conditions.

Whatever type of roof you have now, qualified Murray Inspection Service is available to you without cost or obligation. Just drop a line to our nearest office and we'll send a roof specialist to check the roof. His findings will be submitted to you with suggestions as to what action, if any, need be taken in the interest of roof security. This inspection may mean keeping your roof serviceable years longer.

Write or phone for the inspector today.

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MURRAY Registered ROOFS
OF BUILT-UP PITCH & GRAVEL

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Canada's Largest Manufacturer of Pitch and Creosote

Army Recruiting Cost $1.3 Millions in '42

An estimated $1.3 millions was spent on army recruiting during the fiscal year 1942-43, it was announced recently in the House of Commons. A breakdown of this figure gave the following items:

Military personnel	$510,000
Civilian personnel	50,000
Advertising	376,000
Travelling expenses	225,000
Miscellaneous expenses	130,000

Hon. J. L. Ralston, Minister of Defense, in presenting these figures, pointed out that, while the whole of the pay and allowances of the military personnel was included in the above figures, these men by no means confined their activities to recruiting.

10% Drop in P. Q. Gold Production

Production of gold for May is down 10% from May, 1942, and down 11% for the first five months of 1943, the monthly statistical survey of the Quebec Department of Mines shows.

May production of gold was 84,581 ounces, with silver output for this period showing a considerable increase over 1942 while that for the five months of 1943 was also up substantially. April production in both precious metals was higher than in May.

Building supplies showed a decline in clay products and cement, with some increase in lime. Clay and cement production in April was considerably below the May figure's the increase in cement being over 80%.

THE FINANCIAL
POST
Canada's Foremost Business Newspaper

Toronto, July 17, 1943

Sheep raising for wool has become one of Canada's most important war industries. Domestic production was substantially increased in 1942, now provides about 20% of Canadian textile manufacturing needs. Above: Sheep on a western Canada ranch.

The Textile Industry

New Fabrics, New Products Pour From War-Busy Mills

Severe Labor Shortages, Most Pressing of Today's Problems, Threaten Ability to Maintain Civilian Supplies but Textile Men Find Time to Work on Probable Postwar Patterns

By JOHN LANGDON

Two major tasks face Canada's textile industry. First and foremost is the winning of the war. Secondly is laying groundwork for its place in the postwar economy.

For the immediate future the industry is confronted with a grave labor problem; shortages of machinery, chemicals and other supplies. Volume of production is tending to decline and greater difficulty is being experienced in maintaining adequate supplies for civilian consumption, while meeting the country's wartime requirements.

For the postwar, the industry foresees many problems of rehabilitation: new machinery, greater efficiency, closer co-ordination of activities, changes in manufacturing methods, new products, and import competition from Britain and the United States.

Get Early Start

Since the start of the war the industry has been going on an all-out basis. There was no delay in changing over machinery from peacetime to wartime products. There was no hold-up in deliveries because new plants had to be constructed or machinery made.

To date the Government has placed orders with the industry for clothing and textiles to a value of nearly $300 millions. These cover hundreds and even thousands of items without which the more spectacular weapons of war, ships, aircraft, tanks, guns, munitions, etc., would not function. They are equally essential to the more than 700,000 sailors, soldiers and airmen in Canada's armed forces.

The quantities of goods being turned out by the industry are huge. At present the mills are producing cloth for military purposes alone, clothing, etc., at a rate of 19 million yards a year; a greater yardage than was produced before the war for civilian use. At the same time they are maintaining adequate civilian supplies.

Rate of production of military blankets is over a million a year.

Socks and stockings are being knitted at a rate of over 5 million pairs a year; underwear at the rate of 4 million pairs annually.

Over 300 distinctly war products are being turned out by the textile plants on government account alone.

Two-way Task

A tremendous job has been done and is being done. Any war industry would be proud to report the same record. Yet what the textile operatives have done for the war is only one part of their job. They also have had to take care of civilian demands.

Providing clothing and other textile products for the home front ranks is essential. And when it is considered how purchasing power has increased in the last four years, little imagination is required to picture the demands made upon this industry by the civilian population.

The textile industry has been able to meet the demands of a nation at war. Certain products no longer are available for civilian use, notably those made from silk, but, by and large, Canadians have had no cause for complaint.

Meeting war and civilian requirements has become an increasingly difficult job. The supply of raw materials, practically all of which has to be imported, continues reasonably satisfactory. But production has been affected by the diversion of skilled labor to the armed services, war industries and better paying jobs. Output per man-hour has shown a tendency to decline. Operators believe this trend will be accelerated as the months go on.

This drop in production actual and anticipated, will be at the expense of the civilian population. Government needs top the list. When these are met, the balance is available for civilian use.

The extent of the "squeeze" on the civilian consumer cannot be determined at this stage. It is a side issue of the war. The main job of the textile mills is to see that the war effort is not impeded by shortage of their products. There is no prospect of that.

Look to Future

While questions of labor, raw materials, chemicals, machinery, are ever present, the operators are giving serious thought to their postwar picture, problems which the industry must face and solve, if possible before the war ends.

In pre-war days the textile industry as a whole provided approximately 18% of the total manufacturing employment in Canada. With over 300 factories in 150 mill towns, villages and cities, it is apparent that the industry must lead the way in providing increased industrial employment after the war.

Four factors stand out in appraising the postwar position of the textile industry: equipment; evolution in textile operations and materials; competition; trade control and regulation.

Since the outbreak of war, every textile mill in the country has been running day and night. The wear and tear on equipment has been intensified through use of unskilled operatives. New machinery had to be added to take care of the huge volume of orders. Make-shift arrangements have been necessary in certain instances.

Before the war plant efficiency in Canadian textile mills was high and it is still high. However, no industry can subject its equipment to the strain of all-out production for four years and more without needing substantial capital replacements.

One of the first things the industry must do after the war will be complete plant and equipment modernization. Large capital expenditures will be required. Many of the older plants will be scrapped and replaced by new buildings and equipment. Some mills will be closed down in the inevitable process of postwar competition. But to survive, the industry must seek and maintain a high average of productive plant and operating efficiency.

The question of plant is largely a mechanical one to be determined by management and limited only by the financial resources of the operator.

Evolution in Industry

This war has brought about a minor revolution in manufacturing operations and materials used. New methods have been developed. Substitute products have been created to replace pre-war standard products not now obtainable. Synthetic fibres occupy an increasingly important place in manufacturing, as well as in the minds of the public.

Silk is no longer available for civilian consumption. Full-fashioned hosiery is now made from rayon, lisle and cotton yarns. For a while the public had a taste of nylon stockings (and liked it) before this creation of the chemist's laboratory was reserved exclusively for war purposes.

There is reason for expecting that after the war nylon, and not silk, will be the standard material for stockings.

Rayon also has taken its place in the industrial field; as tire fabric, for insulation and a thousand and one other uses, replacing silk, cotton or wool.

Changes in Process

Cotton still holds its own, but the introduction of rayon-cotton mixtures in fabrics holds expansion possibilities after the war.

Wool, too, has been affected by war conditions. The mixture of staple rayon yarns with natural wool has demonstrated new possibilities for this branch of the textile industry.

Then, too, there are the developments which the textile industry has more or less kept under "wraps" awaiting for the return of normal conditions. These are mostly in the synthetic field, such as artificial wool, etc. Their effect on postwar textile operations cannot be gauged at this stage, but their importance should not be minimized.

Many of the innovations, brought along by war conditions and shortages of supplies, have not been fully exploited. They have been created to do a particular job and left there. As peacetime products, they offer almost infinite possibilities.

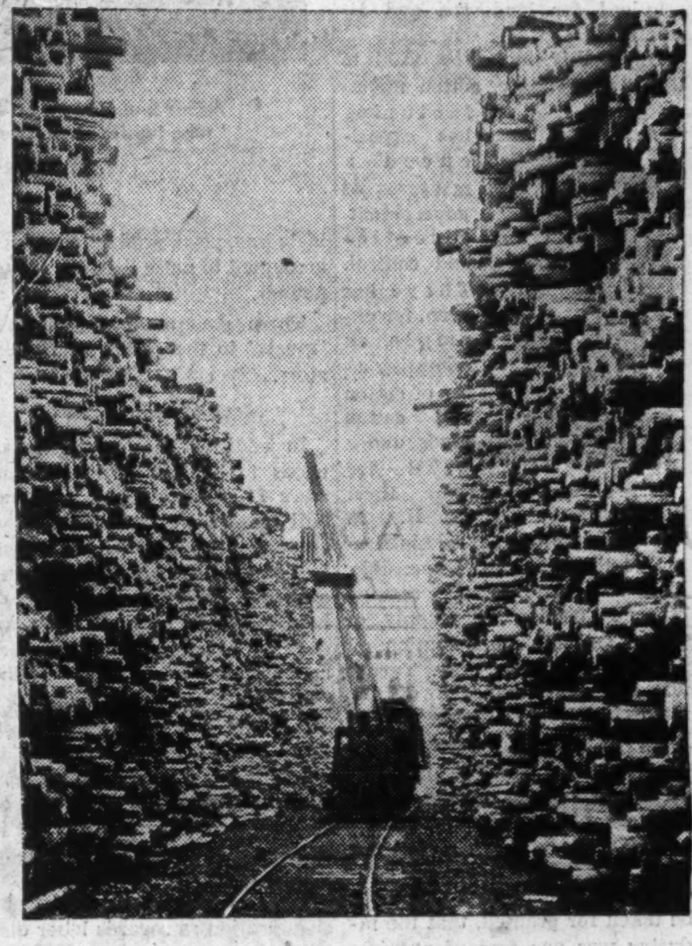
Face Keen Competition

The factors of competition and control present great postwar problems to the textile industry. Plant rehabilitation and modernization, the use of materials and design of products are easy of solution to the ingenuity and technical skill of the Canadian operators.

Competition and control bring

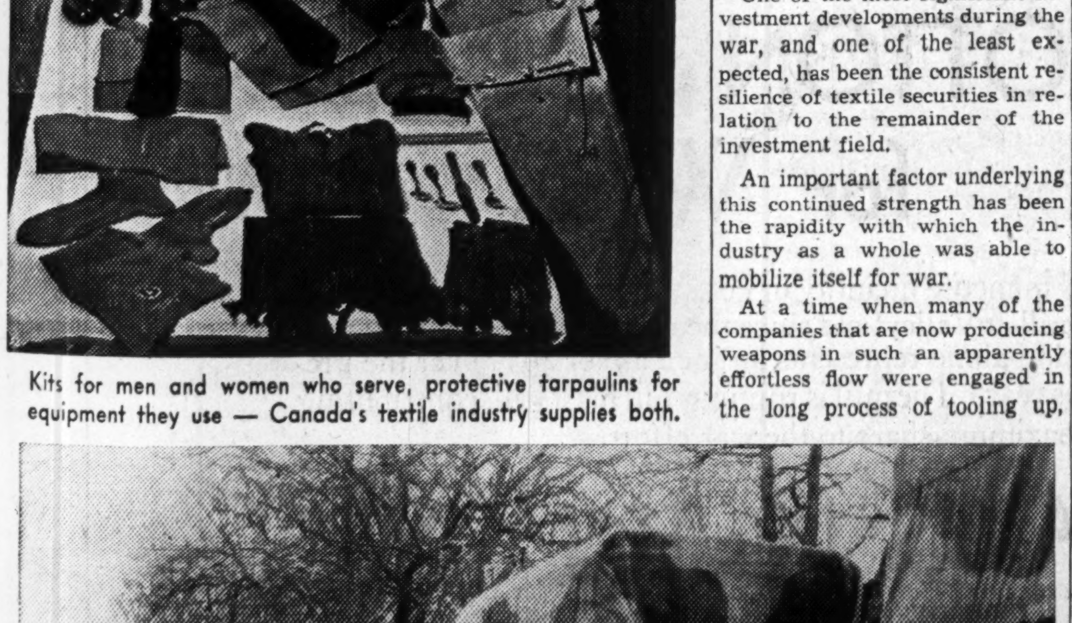
(Continued on page 18)

Now producing at the limits imposed by plant capacity, raw material supply and available labor, Canada's textile industry carries the double burden of equipping the armed forces and maintaining civilian requirements. In the midst of this it is giving thought to what may happen to the industry after the war. It knows that extensive plant modernization will be necessary to keep efficiency high enough to meet competition from within the Canadian industry or from other countries. It is thinking of the probable place of new fabrics and materials in the postwar world—of rayon versus cotton and wool, of nylon and other new synthetics. It is considering the kind of organization within the industry that may be required after the war; contemplating favorably some of the features of wartime controls and emergency regulations.



Rayon in the rough. Well seasoned, this Northern Ontario cut spruce is ready for removal to pulp mill and textile plant.

Kits for men and women who serve, protective tarpaulins for equipment they use — Canada's textile industry supplies both.



Textile Investments

Textile Shares Hold Lead

Higher Working Capital Makes For Postwar Flexibility

One of the most significant investment developments during the war, and one of the least expected, has been the consistent resilience of textile securities in relation to the remainder of the investment field.

An important factor underlying this continued strength has been the rapidity with which the industry as a whole was able to mobilize itself for war.

At a time when many of the companies that are now producing weapons in such an apparently effortless flow were engaged in the long process of tooling up, the textile industries were already operating at capacity or near capacity rates.

Early Start

Although the industry is producing a vast range of goods that were not turned out in World War I, it is a fundamental that in any war which involves large numbers of men, the task of outfitting soldiers with uniforms, tents, and similar equipment, will involve a tremendous load on the textile producers. While in Sept., 1939, it was not known precisely what guns, planes and tanks would have to be produced in Canada, it was clear that the number of soldiers from Canada and hence the number of uniforms, etc., would be at least as great as it had been 25 years earlier.

Moreover, it soon became apparent that civilian purchasing power — and therefore ability to buy clothing and other textiles — was due to expand rapidly.

This explains why the textile securities outpaced the general list during 1939 and 1940, but it does not explain why the securities in this group were able to maintain their lead.

One answer to this has been that a large part of the industry had been in a depressed or semi-depressed condition in the years immediately preceding the war. In some cases, this has permitted companies to establish an excess profits tax classification on the basis of a depressed industry. Throughout, it has generally meant that a company which had been able to carry on at a low rate of production, has been able to overcome increasing costs and higher taxes, as volume has mounted.

Few 1942 Increases

A study of the table of textile company earnings on page 22 of this issue will reveal that in spite of these favorable factors, a large number of the leading corporations in the field were unable to show higher net profits in 1942 than in 1941.

Only six companies out of a total of 30 show net profits for 1942 higher than the amount paid in income and excess profits taxes. And of these 30 companies, only 12 were able to show an increase in net profits for 1942 over 1941.

A study of the parallel column on gross income will reveal that the cause of this was frequently a decline in the total volume of business, coupled, of course, with the increased rate of excess profits taxes.

For 1942, the average level of the Dominion Bureau of Statistics index of textile production, was 161.7. In 1941, the index was slightly higher at 164.27. While this decline in the rate of operations was not sufficient of itself to cause any serious change in gross incomes, it was accompanied by somewhat higher material costs and a rising rate of wages.

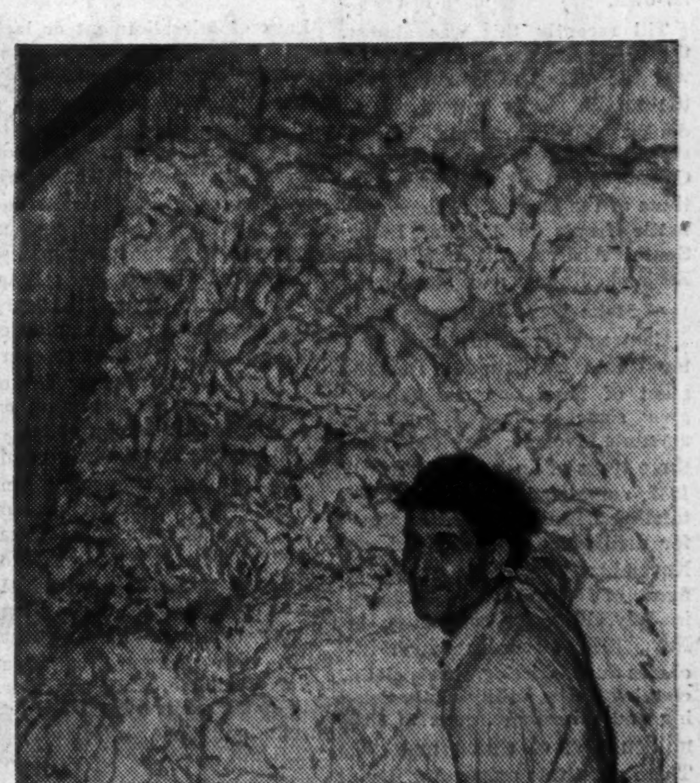
During the first four months of 1943, the index of textile production has averaged slightly above 150, the decline both this year and last being largely attributable to shipping shortages, scarcity of raw materials and labor. The rapid improvement in the war against the submarine promises some relief in this direction but the question of labor supply remains largely unsolved.

While the textile industry has amply demonstrated its ability to meet the country's needs, the recent scarcity of raw materials has begun to affect consumer supplies in certain lines, and it is anticipated that a ready market would await any increased output.

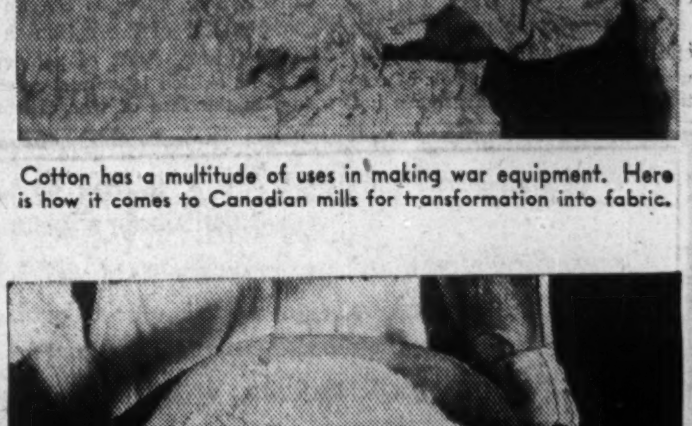
Full Year's Taxes

Another major factor which will undoubtedly affect 1943 operations will be the effect of a full year's taxes at the new rates of excess profits taxation as compared with a partial year in 1942. This will undoubtedly affect certain companies who have already been classed as in the depressed categories less than others, since the former type of company will presumably be able to maintain earnings as at least as good rates as previously. For the industry as a whole, there seems little doubt that taxes will be heavier on the current year's earnings and net

(Continued on page 18)



Cotton has a multitude of uses in making war equipment. Here is how it comes to Canadian mills for transformation into fabric.



Flake polymer from which nylon yarn is spun. This synthetic textile, widely used in war, will find an important postwar place.

Cottons and War

Cotton Operators Face Problem of Labor

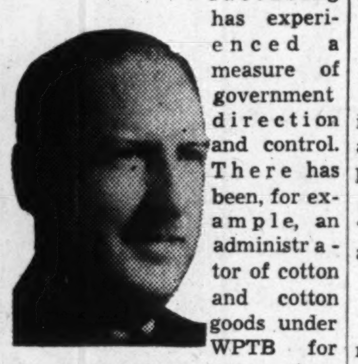
Civilians Will Go Short as Labor Lack Cuts Volume of Cotton

Canada's primary cotton textile industry today is striving and planning with ever-increasing vigor, yet losing ground steadily in its efforts to keep up production.

Raw product supplies are available, plants are fully equipped—in many cases expanded and ready to go all out. But in almost all plants occurs the same disturbing problem—a shortage of the right kind of help.

When Canada went to war the cotton textile industry was called upon at short notice to perform speedy miracles of research, planning and actual production. In the Dominion's cotton plants the switchover from civilian to military output was brisk. While other industries, faced with retooling, space expansion and other headaches needed government aid, cottons went to work. They had the equipment, the experienced management, the finances, and the skilled and unskilled labor to produce the hundreds of items, major and minor, required for land, sea and air warfare.

As much munitions of war as the high explosive shells they resemble, these spools on a "tube twister" in a Quebec cotton mill are winding yarn that will go into battle as khaki textile equipment for allied troops.



J. H. F. TURNER

Like other industries vital to the war economy, cotton manufacturing has experienced a measure of government direction and control. There has been, for example, an administrator of cotton and cotton goods under WPTB for some time. J. H. F. Turner is the present administrator of this division, responsible, like his counterparts serving other industries, for supply of goods, and their distribution on an equitable basis. Mr. Turner was assistant manager of the main Montreal branch of the Bank of Montreal prior to his appointment.

Primary cottons at the outset were organized efficiently and on a large scale perhaps giving the comfortable feeling among government officials that cotton could be taken for granted, that the industry was one free of wartime problems, or at least capable of tackling and overcoming them on its own.

Till recently this was almost the case. During three years of war the output of Canada's cotton textile plants grew tremendously. Their products clothed, supplied and served not only Canada's own fighting men but those of the Empire on home and battle fronts in Britain, India, South Africa, Australia, New Zealand, Russia and elsewhere.

Make Huge Deliveries

Contracts for cotton goods entered into by Canada's Department of Munitions and Supply give some indications of the amounts involved. One order for three types of duck, placed April, 1942, completed December, 1942, totalled 2.4 million yds. Another for drill alone, to be completed November this year, carries a figure of 16.8 million yds. Placed in July, 1942, for completion in Nov., 1943, an order which includes duck, shirting, shorts cloth, clothing ducks, utility cloth, ticking and miscellany, runs to 38.5 million yds. of cotton material. These constitute only a few items in the avalanche of required mill output.

One large company, up to the end of 1942, had produced for the war effort 219 million yds. of cotton textile fabrics, this figure not including yarn production which amounted to more than 18 million pounds.

These government orders are "musts" to the cotton mill operators.

Meet Civilian Needs

In addition there are civilian needs to be looked after. Canada's 11 million people at home still must have clothing, cotton-content materials and equipment to carry on wartime work and activities. With the problem of help shortage in the cotton industry becoming daily more acute, someone soon must feel the squeeze.

Winning the war comes first. Basically the civilian market is the cotton textile industry's permanent responsibility and that of its thousands of employees, but it is clear that civilians in Canada will be the ones to go short if and when, and under cotton's present classification as regards labor distribution, grim shortages are inevitable.

Lack Skilled Help

Lack of fair allotment or lack of protection of existing skilled labor in cotton mills not only reacts to the disadvantage of a mill management striving to meet production schedules on war-essential output. The necessity of introducing less skilled help, following loss of trained personnel to Crown companies unhampered by wage ceiling, brings with it an unsatisfactory situation among the employees themselves. One inexpert operator can slow up a whole line of workers, further aggravating an already difficult help problem.

The final and most costly result is a slackening of production generally. Were it not for present wage restrictions in an essential industry, the services and skill of employees might be retained. It is a sorry sight to see modern machinery standing idle in cotton mills, with necessary raw materials available, while operators with many years experience are absent on jobs requiring less knowledge.

Affect on Future

Furthermore, there is the important matter of the cotton industry's future. Lack of protection of its skilled labor resources today, in the face of war orders piling up, means a fall-off in civilian production. To counteract this, and supply certain civilian essential needs, importation of textile needs has been stepped up, with resultant loss to the domestic cotton industry.

Meanwhile, struggling short-handed, Canada's second largest industry faces the necessity of having plants in shape to provide full postwar employment.

As at the beginning of the war, cotton today is capable of handling its own natural problems of research and production. The industry requires no government help in planned operations. The same is likely to be true in peacetime. Given a reasonable chance, while engaged in an all-out war job, to protect its permanent interest which is the supply of civilian needs, cotton will measure up to its problems.

Needs Adequate Labor

For this the industry requires adequate labor; not a transfusion of help from other sources, but an opportunity to regain and retain the skilled hands the industry itself has trained through the years. Textile occupations in the U. S. are classified by the Manpower Commission as essential. In Great Britain it was found necessary to recall 50,000 cotton workers from other war plants. At present a reallotment of even 1,000 key workers, skilled in the textile industry, would go far toward allowing like Canadian mills to maintain pace and production necessary to the war effort and to provide a reasonable civilian supply.

Canadian cotton textiles have done a quiet, efficient and gigantic job for the United Nation's war effort. It is to be hoped that in their present plight they may be accorded a practical recognition long overdue.

Canadian Cottons

Due to wartime factors earnings of Canadian Cottons, Ltd. this year are expected to be substantially lower than in the past few years.

During the current year, says President R. G. Tolmie, ceiling prices of goods to the civilian trade will be below cost of production. Accordingly the company is compelled to avail itself of the subsidy from the Commodity Prices Stabilization Corp. to secure an adjustment on the cost of raw cotton.

While the subsidy agreement does not guarantee a profit, nevertheless no subsidy will be paid to the company beyond the point which would make it liable to the 100% taxation rate under the Excess Profits Tax Act. Thus the company will have a limit on its profits for the current year of 116-2/3% of its prewar standard profit base, without protection against possible loss. However, this is not anticipated.

Dollar Sales Decrease

In common with other operators, Canadian Cottons is experiencing a shortage of labor, enhancing the problem of maintaining an even flow of production. While production of goods and employee hours were maintained in the 1942-43 fiscal year, the management points out that a breakdown of the returns shows a marked tendency to decreased production for the second half of the year against the same number of employee hours. This is attributed to increased rate of labor turnover, lower productive capacity of new employees until efficiently trained, and to absenteeism.

In the year ended March 31 last, dollar sales value showed a decrease of $1.2 millions. This was due in part to ceiling prices being in effect for the whole year, as against four months only in the year preceding, and, in part, because all surplus manufactured inventories having being previously liquidated, sales for the past year were on a basis of current production only. Despite the falling off in sales value, net profits were well maintained, while net working capital position was improved almost $400,000 to over $7.4 millions.

Dominion Textile

Dominion Textile Co. Ltd., largest primary cotton manufacturer in the Dominion, continues to operate on a more or less capacity basis, though some decline in production is indicated by the fewer bales of cotton opened.

Large scale operations were carried on during the year ended March 31 last. Primary poundage of raw cotton processed into yarn and cloth was slightly below the previous year due to conditions beyond control.

The converting division had a very full year, turning out over 169 millions yards of finished goods, including substantial yardages of material which came from outside sources. Total shipments of all products including those of Drummondville Cotton Co., a wholly-owned subsidiary, were worth approximately $60 millions.

The raw material situation had some interesting aspects during 1942-43 when no more cotton could be shipped from Brazil. Extensive contracts for forward delivery had to be cancelled and adjusted. In collaboration with the Department of Munitions and Supply and a Crown company, the firm is making sizeable purchases of raw cotton in the United States for direct war business placed with the cotton manufacturing industry in Canada.

Prices at 1941 Level

Prices of available goods for essential secondary manufacture, have been maintained by the company at the "roll back" level established in December, 1941. These prices in most cases represent sales values of the autumn of 1940 when raw cotton laid down in Canada was less than half the current cost.

Under an arrangement with Commodity Prices Stabilization Corp., the company is entitled to some relief in this connection, effective from the commencement of the current fiscal year on April 1 last.

Net earnings from operations of the company for 12 months ended last March totalled $11.1 millions, or practically the same as in the preceding year. Net profit from the common stock amounted to $5.56 without taking into consideration the refundable portion of the Excess Profits Tax which amounted to roughly $2.90 a share. This contrasts with earnings of $5.23 a share in 1941-42.

$5 Dividend

Standard profits of the company have not as yet been established. The 100% rate of excess profits tax applies only to three quarters of 1942-43, so that somewhat more than 70% of standard profit was available for dividends after taxes. For the current year the full tax rate will be in effect and the maximum amount available for dividends cannot exceed 70% of standard profit. However, this should not affect the ability of the company to maintain its present dividend of $5 a share.

Financially the company occupies the strongest position it has reported in many years, with net working capital currently amounting to over $13.8 millions. This is $5 millions more than was reported at the beginning of the war. Particularly noticeable in the financial statement is the growth in investments from $3 millions in 1939 to over $9.3 millions in 1943, and an advance in inventories from $4 millions to over $7.8 millions.

Plants of the company have been maintained in as good a condition as possible under the circumstances, but they have been subjected to the wear and tear of almost continuous day and night operation for three years. In this connection, president Blair Gordon says, "Taking our physical assets as a whole, there will be a substantial accumulation of deferred repairs and betterments by the end of the war and a program of reconstruction and re-equipment can then be undertaken suited to the needs of the postwar situation."

Hamilton Cotton

Demand for all production of Hamilton Cotton Co., Hamilton, is good but maximum output has been reduced by difficulties of employment and absenteeism. Earnings in 1942 were up at $143,307 from $135,751 in the previous year.

The company has entered into an agreement with Commodity Prices Stabilization Corp., covering inventory and cost of cotton, which adjusts cost of cotton to a proper relationship with fixed selling prices.

A wide diversity of products—such as cotton cloth, webbing for straps, yarn, twine, clothesline and sash cords—is being turned out. In addition to spinning, weaving and manufacturing activities, the firm looks after its own dyeing and bleaching requirements.

Preferred dividend arrears were cleared off by a $2 payment last year and common dividends declared at 40 cents per share.

Wabasso Cotton

Wabasso Cotton Co.'s production and sales were well maintained in the year ended last May, but profits were off sharply owing to restrictions imposed by the price ceiling.

Effect of the price ceiling on

(Continued on page 15)

FACTORING

What Is It

Factoring is a service which converts your sales into cash, eliminates bad debt losses and relieves you of collection detail.

Its Advantages To You - -

Your working capital, being in cash, is available for the purchase of merchandise or raw materials at the best prices and at maximum discounts. You have funds on hand to meet payrolls and taxes, the latter being a vital consideration under present conditions. Furthermore, you rest assured at all times that changing conditions cannot cause you losses through the inability of your customers to meet their obligations.

Who Uses It?

Many manufacturers and distributors — domestic and foreign. In all probability, a factoring plan can be adapted to your business, if it involves the sale of merchandise on credit terms.

EXPORTERS
factoring protects your interests in distant markets.

INDUSTRIAL FACTORS CORP.
LIMITED
423 Mayor St. Montreal
Subsidiary of
INDUSTRIAL ACCEPTANCE CORPORATION LTD.
With Capital Resources in Excess of $5,000,000

Nufashond
MANUFACTURERS OF
QUALITY BRAIDED TRIMMINGS AND CORDS
CLUNY AND FILET LACES
NUFASHOND NARROW FABRIC COMPANY
OF CANADA LIMITED
ST. CATHARINES — ONTARIO

A Moco FABRIC
REGISTERED
FIGHTING FOR VICTORY!
41 MILLION
Yards of
COTTON FABRICS
for WAR

This immense quantity of cotton fabrics was turned out in the mill at Valleyfield since the war began. The 1942 production alone represents an increase of 40% over the previous year. The mill is running full blast still, contributing its maximum share to the war effort.

TAXES UP TEN TIMES

The Company contributed through income and excess profits taxes in 1942 to the nation's war needs, $1,627,000.00, almost ten times as much as in 1939!

The MONTREAL COTTONS LIMITED
Valleyfield Quebec

FERGUSSON ATLANTIC UNDERWEAR
Limited
MONCTON, N.B.
Manufacturers of
• UNDERWEAR
• HOSIERY
• MITTS
Atlantic Brand ☆ Imperial Brand

Source of the unfailing supply of army uniforms in Q.M. stores throughout the country, Canada's textile industries have co-operated in clothing hundreds of thousands of fighting men and service women. Here is but a small fraction of the huge stockpile constantly maintained to replace worn-out battledress and to outfit recruits.

Huge Buying For Textiles Is Necessary

In four years the Canadian Government has placed orders for clothing and textiles valued at $292 millions; $135.7 millions in 1942 and $77 millions in 1941.

The break-down of purchases last year follows: Army, $72 millions; RCAF, $31 millions; Navy, $7.4 millions; other account, $25.3 millions.

Quantities of materials and goods ordered on Government account have been huge. For example, in 1942:

21,582,700 yds. of wool cloth were ordered and delivered. This was three times the quantity ordered the year before.

Orders for blankets totalled 1,477,304, against 858,000 in 1941. This bulk order of over 21 million yds. placed last year for delivery in 1942 and 1943 is considerably greater than the aggregate production of Canadian mills in any prewar year.

43,685,000 yds. of cotton goods.

Order in Millions

Here are some orders for individual items placed in 1942:

- 2,965,000 wool and cotton under shirts
- 3,250,000 underdrawers
- 4,800,000 pairs of socks
- 325,000 caps and mufflers
- 2,100,000 gloves
- Over 1,000,000 pieces of anti-gas clothing
- More than 1,000,000 battledress
- 500,000 Air Force uniforms
- 750,000 greatcoats, mackinaws and duffel coats
- 1,250,000 combination overalls
- 3,165,000 shirts and, among other items,
- 250,000 "housewifes."

Converters Face Big Demand

Can. Converters

Shortage of labor and materials is likely to affect output this year of Canadian Converters' Co. Ltd., one of the principal Canadian firms manufacturing shirts, dresses, underwear and a wide variety of wearing apparel.

In the year ended April 30 last inventories were reduced by $127,728 to $550,000. A further reduction is looked for during the current year, as it is increasingly difficult to secure materials. Another problem confronting the company, says J. M. Mackie, president, is to get enough operatives. It is, therefore, likely, he says, that sales for the current year will be reduced.

Since commencement of the war the position of this converting company has undergone a marked change for the better. Though no particulars of sales are published, some idea of progress may be gained from earnings reported.

Following the peak years of 1926 to 1929, earnings declined sharply, reaching a low point in 1939 when there was a deficit of $2.20 a share. In 1940 and 1941 fiscal years, however, earnings improved substantially, $3.28 and $4.01 a share, respectively. In the 1943 fiscal year this betterment was maintained, earnings of $3.05 a share being reported.

Tooke Bros.

Prospects for 1943 remain encouraging for Tooke Bros. Ltd., barring unforeseen events such as increased difficulty in securing labor and raw materials, says President H. H. Woodward.

Like all other textile operators, Tooke Bros. has experienced a sharp expansion in earning power since the outbreak of war. In eight of the nine years preceding the war, the company chalked up a loss. During 1939 and including the first four months of the war, it showed a net profit of $91. Last year this figure had expanded to $53,694.

The inventory position at the beginning of the year was the largest reported in some time, while the company was carrying on its books accounts receivable, less reserve, of over $550,000.

Last year the balance of its funded debt was retired with the assistance of a bank loan. The preferred is now the senior capital security, arrears of dividends on which amount to $84 a share.

Earnings on the preferred have improved, though only $5.45 a share was earned last year as against dividend requirements of $7. There is less than $1 million of preferred outstanding and only 8,725 shares of common stock. So far there has been no official indication of a plan to liquidate the arrears.

Woods Mfg.

Capacity operations were maintained by Woods Manufacturing Co. during 1942, with the exception of the Empire Mill at Welland which, owing to serious labor shortage, produced substantially below 1941 quantity.

Despite the poor showing of the Welland mill, operating profits of the company exceeded $1 million for the first time in history. Over half of the profits went to the government for income tax and excess profits tax, but the profit before dividends of $160,351 was the best reported since 1919.

Operations this year are expected to be maintained at a relatively high level, but as the excess profits tax will apply against the full year, it is anticipated that the company will not be able to show much better than the preferred dividend earned. In 1942 a profit was recorded of $3.12 a share on the common stock after provision for full preferred dividends.

The steady improvement in the company's position leads to hope that some plan will be formulated to liquidate preferred dividend arrears which now amount to over $84 a share.

The balance sheet shows that over the last six years net working capital has almost doubled, while abnormal inventories accumulated in 1941 have now been worked down to almost normal proportions. In addition, the funded debt has been reduced from $660,000 to $405,000 currently.

Cotton Mills Lack Labor

(Continued from page 14)

profits of the company is clearly seen in the earning statement. In the year ended May 2, 1942, operating profits exceeded $2.9 millions, the largest figure reported in many years and nearly four times that for the year ended April 29, 1939. For the 1943 fiscal year operating profit was down nearly 50%, or $1.6 millions.

Despite the drop in last year's returns, earnings of the company are running about double the prewar level. This ratio applies to earnings on the common stock, which has enabled the company to increase the dividend from 50 cents a share in 1937 to $4 a share in 1942-43.

Featuring the latest balance sheet were a substantial reduction in cash and government bondholdings and the creation of a $1 million reserve for research, plant improvement and other contingencies.

Along these lines it is worth noting that since 1939 the company has spent over $1.1 million on capital accounts. The principal work undertaken included erection of a new boiler house, two high pressure type coal steam generators and supplementary equipment. This was made necessary as surplus hydro-electric energy is no longer available for steam production.

Further evidence of the strengthened position of the company is seen in the reduction of the funded debt from $2.7 millions on May 1, 1937 to $1.7 millions on the same date 1943.

Cosmos Imperial

Cosmos Imperial Mills has had a heavy demand for its products, since modern warfare has greatly extended use of industrial cotton fabrics. Production in 1942 was slightly above the high level of the previous year, but is still below demand.

The company operates a plant at Hamilton, and another at Yarmouth, N.S. Principal products are duck cotton and canvas fabrics, mainly of the heavier type used to cover military and naval weapons.

In the past year there has been a greater personnel turnover, with the subsequent handicap of new employees having to be trained. W. S. Burrill, president, states, "The utmost efforts of the Canadian textile industry, capable of weaving heavy cotton cloth, will be required to provide adequately for the national need."

Improvement in sales return has not been sufficient to offset increased cost of production. Output is on a basis of 70% for war needs, the remainder for civilian use.

Agreement has been reached between the company and Commodity Prices Stabilization Corp., concerning supply of raw cotton for the company on terms of subsidy assistance. This should enable operations to continue satisfactorily.

Montreal Cottons

Montreal Cottons Ltd.'s production is limited only by the extent of its equipment and supply of materials. Operations have been at capacity for many months and providing labor and materials are available, there should be no change during the current year.

Just prior to the war and during the early months of the war, the company spent large sums on extending and improving its manufacturing facilities. Consequently, it was in an excellent position to meet wartime demands.

From 1938 to 1942 manufacturing profits increased from $642,000 to $2.6 millions. Though income tax payments, which have risen nearly 24 times, have absorbed a large share of increased operating revenues, earnings on the common stock over this period have jumped from $2.06 to as high as $10.16 a share in 1941. Corresponding figure for 1942 was $7.58.

Last year tremendous quantities of goods was produced for war purposes, including millions of yards of cotton drill, anti-gas cloth and fabrics for the aircraft industry.

The trend of operations depends largely upon the raw material and labor situations. Both are full of uncertainties. The situation must inevitably become serious as the war continues, and the company is directing efforts toward making the best possible use of the materials available.

Even by 1941 there had been a drastic curtailment of the yarns and cloths production for civilian uses, in order to supply demands of the armed forces. This is clearly indicated in the following table:

	*1941	1940
Cotton	31,600,806	31,766,497
Cotton & rayon	1,077,498	1,169,535
Rayon	3,629,385	3,768,118
Tapestry	1,776,374	1,360,552
Cut staple	4,951,923	4,340,841
Total yds. cloth	43,235,936	42,405,543
Total lb. cloth	12,791,834	11,385,046
Lb. sale yarn	1,944,434	3,255,642

*Latest available figures.

Switch of production from civilian to military use was reflected in the sale of yarn business which had to be cut down from 3¼ million lb. in 1940 to less than 2 million lb. in 1941.

Till the end of 1941 the company had made approximately 18 million yards of cloth for the Department of Munitions and Supply. This represents in weight over 7 million lb. of cloth or almost 8½ million lb. of raw cotton.

Loom hours run in 1941 were 80% ahead of the figures for 1938 and represented a 45% increase over those of 1939, and 9% over those of 1940.

Like other primary cotton textile operators, Montreal Cottons Ltd. is finding difficulty in producing materials to replace those passing into consumer hands and still be able to sell them under the price ceiling.

Featuring the new RIB-FELTS

CANADA'S "Sponsor of Smart Styling", presents RIB-FELT, the newest innovation in modern hat design. Created for comfort and attractiveness, the novel stitching around the crown replaces the conventional band . . . keeps your hat pliable and freshly shaped. Each distinctive RIB-FELT creation in new colortones.

LEWIS LIMITED

Head Offices and Factories: Truro, Nova Scotia, Canada

GENERAL ELECTRIC

Fluorescent Lighting

"Indoor Daylight"

TO SPEED WAR PRODUCTION

With its greatly increased lighting efficiency . . . with its close approach to daylight and its notable economy of operation—Mazda Fluorescent Lighting is proving a most important factor in speeding production in Canada's war factories.

For Mazda Fluorescent Lighting affords new opportunities for lighting workshops where precision production and intricate assembly are going forward.

By providing *"indoor daylight"* 24 hours a day, it is preventing spoilage, reducing eyestrain, and greatly minimizing nervous fatigue.

By providing *cool* light it is simplifying air-conditioning, increasing working comfort, maintaining morale.

By providing *glare-free* light and *shadow-free* light it is making seeing easier and so making production faster.

The Mazda Fluorescent Lamp, a laboratory novelty only six years ago, is today proving to be one of the greatest developments in lighting history. It is adding millions of vital productive man hours to Canada's wartime industry.

Wartime Prices and Trade Board Administrator's Order A-401 restricts the manufacture and sale of commercial and industrial lighting fixtures. In the majority of cases, it is necessary to obtain permission in writing from the Administrator for the use of fluorescent lighting equipment. In addition, priority ratings are usually required.

For further information, contact your nearest C.G.E. office.

L-243

CANADIAN GENERAL ELECTRIC CO. LIMITED

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With Safety

"Manufacturers of textiles for Canada and Allied Nations"

Granby Elastic Web of Canada Ltd.

GRANBY • QUEBEC

Clothing, Hats, Carpets

'Mixed' Group Does Big Business

Tailors Turn Facilities to Fill the 'Forgotten' Civilian Needs

An important section of the Canadian textile industry, sharing in production for war and essential civilian needs, is the "miscellaneous" group comprising tailoring plants, hat, cap and glove makers, carpet weavers, cordage, rope and twine manufacturers, and linen mills.

Employing nearly 12,000 workers, and with invested capital which in 1941 represented some $40 millions, this segment of the textile industry is credited with comprising more than 300 manufacturing establishments which each year produce goods with net value in excess of $20 millions.

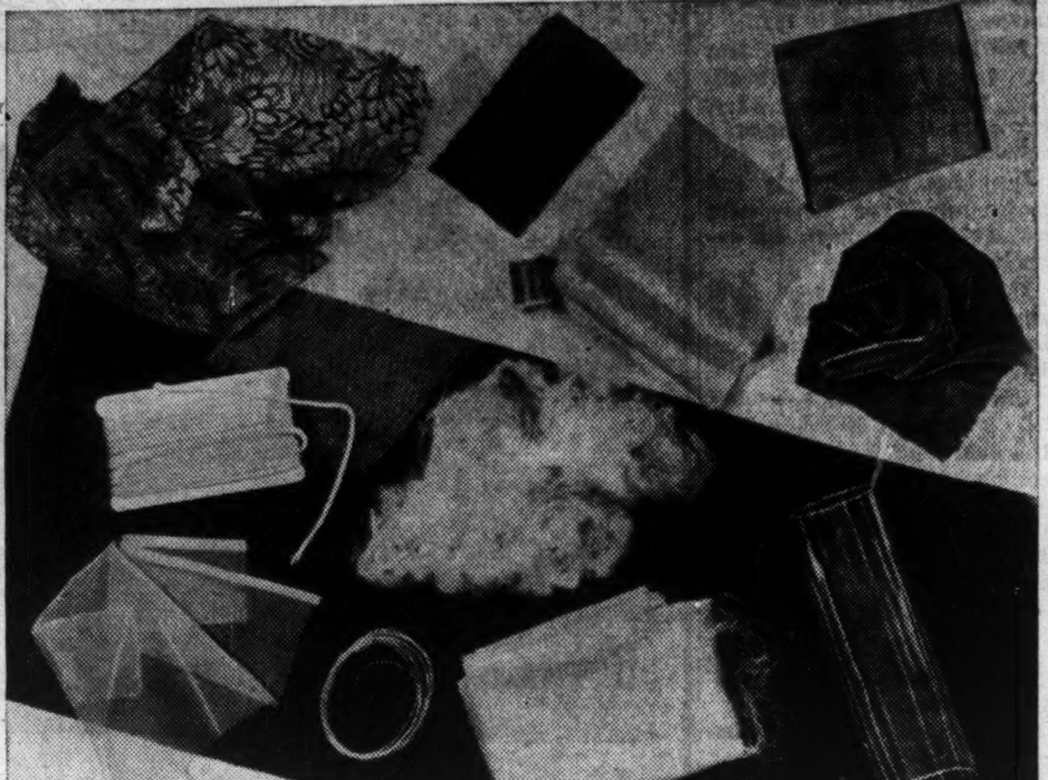
Heavily engaged for the first two years of war on government orders, which since 1941 have slackened off, Canadian tailoring plants in recent months have been in better position to serve civilian needs within the limits imposed by labor and material shortage.

Difficulties imposed by these factors have been partially overcome through simplification of manufacture and standardization of models. Coat and suit styles have been reduced in number; evening clothes for both sexes have been prohibited, as have women's ski suits, parkas, hostess gowns, etc. Wool linings in garments have been eliminated, maximum measurements established on many items, and "frills" ruled out not only from style merchandise but from work clothing as well.

Incentive to concentrate on government orders was given carpet manufacturers last year through increased restrictions on use of raw and worsted wool. Already limited (with other sections of the textile industry) to a reduced percentage of these materials, a government order of last September restricted carpet and rug makers to 20% of their 1941 consumption, except in the case of military contracts and orders of high priority as defined by the wool administration.

A comparatively recent development in the Canadian linen making trade has been the shift over to partly linen and partly cotton goods to compensate for linen yarn shortages. It has, therefore, been possible to maintain production, as all raw materials on which the trade depends (with the exception of linen yarns) are produced on this continent.

Makers of rope and cordage continue to occupy their favored position resulting from ability to supply Canadian agriculture with its much needed binder twine—a commodity whose supply the government has virtually guaranteed farmers to the extent of their normal requirements. However, this year twine manufacturers are having to utilize cotton yarn along with sisal, as the latter component is in short supply.



—Photo, Canadian Industries Limited.

A suggestion of the part synthetic textiles will play in materials for postwar use is given in these goods, all developed from nylon. At top there is lace, spun fleece, sewing thread, coated rattan for upholstery and velvet. In the centre is seen escape parachute shroud line, monofilament window screening and waste nylon yarn. At bottom are nylon marquisette, coated wire, parachute fabric and nylon film.

Acme Glove

Prospects of Acme Glove Works Ltd. for 1943 are difficult to appraise without knowing the extent to which war requirements will react on civilian trade, says President A. Lepine. Materials are becoming scarce and serious problems are expected to develop out of the shortages during the later months of this year.

The company ended the current year in a good inventory position. Stocks of raw materials, semi-and wholly-manufactured goods, were valued at $733,226. This contrasts with $662,092 in 1941.

It was considered a good policy to anticipate, so far as possible, some of the materials required during the current year in view of the ever-increasing uncertainty in the commodity supply situation and the difficulty of procurement. Such an evaluation is considered by the company to be conservative, in relation to business already in sight for 1943.

Sales during 1942 showed a material increase over 1941. This experience was common with other distributors of outdoor wearing apparel, and reflects the wartime stimulation of most of the industries and trades which the company serves.

This was reflected in substantially higher net earnings, profits on the preferred amounting to $11.35 a share, up from $9.57 for 1941.

Semi-annual dividends at the full rate of $6.50 annually were paid on the preferred shares in 1942. Arrears of $3.25 a share incurred in 1939 were liquidated last May.

Biltmore Hats

While the current outlook is uncertain, position of Biltmore Hats Ltd., Guelph, is sound, company spokesmen state. Net profit in the year ended Nov. 30, 1942 was $81,390 as against $71,745 in the previous comparative period.

However, it is pointed out that tax provision in 1942 was only slightly greater than that made previously, since the company's year ends Nov. 30 and the excess profits tax imposed in 1942 applied only for five months of the year. A greater amount will have to be set aside in future.

Capitalization outstanding consists of $100,000 of 4% debentures due May 31, 1944.

Caldwell Linen

Production of Caldwell Linen Mills, Iroquois, Ont., over the past few years has been gradually shifted from linen to part linen and cotton goods. Thus the need for linen yarn in company operations has been reduced. Since all other raw materials necessary to output are obtainable in North America, production has been maintained.

According to officials, adjustment to price ceiling conditions has been satisfactory.

The company pioneered in linen manufacturing in Canada, production of fine cotton goods having been a more recent development of the linen business.

The Iroquois plant is a complete manufacturing unit, production beginning at the raw yarn stage and including winding, warping, weaving, dyeing, bleaching and finishing.

Brantford Cordage

Demand for the output of Brantford Cordage Co. Ltd., largest manufacturer of binder twine in the British Empire, is good, but production has been affected by shortage of hard fibres in Canada.

Last year 20 million lb. hard fibre ropes were used by the armed forces and civilians along with 80 million lb. binder twine. G. P. Kaye, deputy supplies controller, has stated that this year only 15 million lb. rope and 60 million lb. binder twine can be provided. Under this allocation civilian rope consumption must be cut in half. Enough twine will be available to take care of normal, but not bumper crops.

In the year ended Aug. 31, 1942 crops well above average in Canada kept production of Brantford Cordage at top speed. Export business was also maintained. Net profit that year was $204,868, as against $213,136 in the year ended Aug. 31, 1941.

Harding Carpets

Harding Carpets, Ltd., Brantford, in the year ended Oct. 31, 1942, ran into difficulties due to shortage of labor and materials. Inventories enabled the company to handle the continued demand, however, and profits were only slightly below those of the previous year. Business in 1941 reached an all-time high.

Equipment as far as possible is being turned over to manufacture of military fabrics: carpets for military, naval and wartime housing use.

Under the Excess Profits Tax Act the company is allowed to retain 70% of its standard profit, which has been set at $98,075. No accurate forecast of the future is possible under current conditions, says A. E. Culbertson, president. During the term of the act future net operating profit will be limited to roughly $68,000, or the equivalent of 39 cents a share on present capitalization.

Lewis Ltd.

Sales of Lewis Ltd., one of the most important of the Maritime textile operators, continue at a high level and are limited only by the amount of materials and labor available. Like others in the textile field, rising costs of material and other expenses of manufacturing have affected profits adversely and the current year is expected to be less profitable.

Over the past year the management has introduced new products. In the hat division the company placed on the market the rib-felt hat. This strengthens its position in that particular field.

Expansion in sales has brought an extension of preparatory operations such as combing and spinning, while the cloth division has expanded through additional shifts, etc.

Last year sales were the largest in the history of the company. This result was achieved despite the closing down in the latter part of 1941 of the full-fashioned ladies' hosiery department.

In normal times the company has a well developed export business. Efforts have been made to maintain it despite difficulties arising from lack of shipping space. However, the decline in export trade has been more than offset by an expansion of domestic business.

Guelph Carpet

Production of Guelph Carpet & Worsted Spinning Mills, Ltd. has been at a high rate in the past year, with roughly 75% of output in war supplies.

Mill activity was reduced last fall, due to difficulty of obtaining raw materials, and steps were taken to convert as many mills as possible to war production.

Standard profit of the company is calculated at $76,580, and all earnings above this sum are taxed 100% under the Excess Profits Tax Act. The company can retain only approximately 70% of the standard—about $53,600, or $1.53 per share.

Guelph Carpet operates the second largest worsted spinning mill in Canada. Carpet production is now correlated with that of Harding Carpets.

Toronto Carpet

Toronto Carpet Manufacturing Co. Ltd. produces rugs and carpets at its plants in Toronto, Campbellford, Ont., and Philadelphia. Its subsidiary, Barrymore Cloth Co., turns out woollens and worsted cloths complete from raw material.

The firm does not issue a public financial statement. Present conditions have had some bearing on the company's operations which now consist in part of war work. Labor shortages have also affected production, but the outlook is considered to be good.

Tip Top Tailors

The largest manufacturer of civilian clothing in Canada, Tip Top Tailors, Ltd., has its factory in Toronto and distribution agencies and units at more than 50 points in the Dominion. Early in the war demand for new uniforms was heavy. Last year, however, emphasis was on production of clothes for civilians.

Operating profit gained more than $330,000 in 1942 over the previous year, but higher taxes and provision for inventory reserve brought about a resultant decline in net.

The company has appropriated $31,430 from surplus to provide for its liability under a guarantee of dividends of Tip Top Tailors, Inc., the U. S. subsidiary which is now dissolved.

Uniforms for the armed forces are a major factor in the company's production program and Tip Top has been able to effect a number of economies in its ordinary business, resulting in a slightly more standardized suit.

Wool Fabrics Use Gains

Year	Canadian Production	Imports into Canada	Canadian Consumption	Per capita Consumption (yards)
	(In thousands of yards)			
1936	17,542	12,021	29,563	2.68
1937	18,088	13,674	31,762	2.86
1938	14,346	10,818	25,164	2.24
1939	17,190	11,477	28,667	2.53
1940	26,394	14,893	41,287	3.61
*1941	27,159	15,016	42,175	3.66
*1942	28,202	16,113	44,315	3.81

*Estimated by Canadian Woollen & Knit Goods Manufacturers Association.

Wool and Knit Goods Section Do Big Job

Always a big factor in the textile section of Canadian economy, the woollen and knit goods industry has shown itself not only adaptable to meeting the military needs of the nation at war, but capable of taking a strong place in the wartime economic life of the country.

Solidly established in peacetime years, this industry was ready when hostilities broke out to divert a great part of its production to the 700,000 men who have taken up arms. In addition to this the industry has shown enterprise and initiative in meeting the natural short situation as regards civilian requirements.

Its contribution to the home front battle has been in the nature of steady work provided to an increasing number of employees, who in turn contribute to the national treasury through taxes and war savings and, of course, through similar contributions on the part of the companies themselves.

Do Major Job

The magnitude of this industry's contribution to both civilian and military necessities can be judged by the following production in 1941, the latest year for which reports are available:

Underwear, 42 million garments
Mitts and gloves, 1,800,000 pairs
Sweaters and cardigans, 10,775,000 garments
Socks and stockings, 420 million pairs
Blankets (about 80% for war), 1,253,000 yds.
Cloth (about 60% for war) 25 million yds.

Record of Industry

The record of this Canadian industry is best set forth in a statement issued by Hugh Lawson, president of the Canadian Woollen and Knit Goods Manufacturers Association, "It is indeed fortunate in the national interests that in Canada at the beginning of this war there was a highly efficient and well-established woollen and knitted goods industry. For without this it is difficult to see how our 11 million civilians and our 700,000 service troops, could have been adequately supplied with essential clothing. Over and above this, the woollen and knitted goods industry has been able to manufacture essential war materials for Great Britain, South Africa and Russia.

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producers of
SPUN RAYON
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SINGLE AND PLY
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Recognized Leaders in the Canadian Trade for Seventy-three Years
"Pattinson Woollens" are known and accepted for their high standard of quality that is constantly dependable—from year to year. Our mills at Preston are commonly recognized as modern and well equipped. Uniform weaving, superior finish, up-to-date patterns and colours as well as the use of quality yarns are features of "Pattinson Woollens".
Manufacturers of
MEN'S Overcoatings Topcoatings Tweed Suitings Mackinaws
LADIES' Cloakings Blanket Cloths Tweeds
GEO. PATTINSON & CO.
LIMITED
PRESTON Established 1870 ONTARIO

MERSTON FABRICS
"Draperies Of Merit"
Cotton, Cotton Duck, Gabardines for Canada's War Needs.
Upholstery and Drapery Fabrics.
Foundation Garment Fabrics.
Shoe Fabrics, Textiles Novelties
Lastex Fabrics of All Kinds
CARL STOHN Of Canada Limited
GRANBY — — — QUEBEC

PRODUCING FOR WAR . . .
PLANNING FOR PEACE
Since the outbreak of war, the needs of the Armed Forces have taken a steadily increasing proportion of Mercury Mills' output of hose and underwear.
Due to a farsighted expansion program completed early in 1939, the company has been able to meet every demand placed upon it for military requirements, and in spite of necessary restrictions has maintained a fair proportion of its pre-war civilian production.
When victory has been won, the initiative and enterprise which enabled Mercury Mills to bear its full share of the wartime burden will turn with undiminished vigour to the equally vital task of satisfying the renewed demands of retail trade and the Canadian consumer.
MERCURY MILLS, LTD.
HAMILTON, ONTARIO

Plants located at:
HESPELER Ontario
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Manufacturers of
FINE WORSTED AND WOOLLEN SUITINGS.
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YARNS FOR HOSIERY, KNITTED OUTERWEAR, HAND KNITTING AND WEAVING.
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75th ANNIVERSARY
LEADERSHIP
For 75 years Canadian people have found their exacting standards in Knitted Wear satisfied by the garments that bear the Pen-Angle trademark. Skilful design and experienced craftsmanship have maintained for the Penmans name that leadership which is accorded to quality plus style.
Penmans
LIMITED
PARIS, ONT.
KNITTED PRODUCTS • UNDERWEAR • HOSIERY • OUTERWEAR
Officers of the Company:
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C. B. ROBINSON, Secretary-Treasurer
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PARIS, LONDON, BRANTFORD, WATERFORD, ONTARIO; COATICOOK AND ST. HYACINTHE, QUEBEC
P.M.11-43

Knitting For War

Knitting Trade Has Its Troubles

20% of Knit Goods Production Diverted to Meet War Needs

Faced with severe material shortages and a diminishing skilled labor supply, the Canadian knitting trade for the past year and more has been working to offset these disadvantages through simplification and standardization of its products. To this end many manufacturing operations, which do not affect wearing quality have been eliminated, while standardization and reduction in number of items for civilian use have been adopted to relieve pressure on production facilities.

Despite such efforts, however, the industry is more than ever finding it difficult to maintain the production required of it by both military and civilian users. Chief reason for the difficulty, say leaders in the industry, is the labor shortage which they term "a major problem."

The Canadian knitted goods industry is represented by 181 mills. In 1941 these employed 24,362 workers. By April of the present year this number had declined by approximately 8% to 22,274.

Effect of this labor loss has been an overall decline in production which, because military requirements come first, is expected to result in less essential knitted goods for civilian consumption this year.

An official of the Canadian Woollen & Knit Goods Manufacturers Association sums the situation bluntly in the current Canadian Textile Industry Manual. "Unless something can be done to stop the downward trend in numbers employed and to ensure the mills sufficient working staff, necessary overall production of military goods, Red Cross essentials and civilian needs cannot be maintained."

Toward the end of 1942 civilian demand for knit goods began to exceed supply. Depletion of backlog inventories in retail outlets and warehouses set in. Now it is believed such sources, plus the factories, offer relatively little in the way of many essential knitted items.

So far as the entire industry is concerned, it is estimated that around 20% of total output has been utilized for war. There was steadily increasing production for the military of knit goods throughout 1942 as compared with production in 1941 and this situation has been maintained so far in 1943. All orders have been on the tender basis and profits have been controlled and limited to 5%.

On the civilian front WPTB has appointed H. G. Smith as administrator of knit goods, making him responsible for co-ordination of supply and distribution problems.

Extent to which the knitting industry is committed to production for the armed services has not been made fully known. According to the textile industry's manual, however, it is estimated that up to 40% of some sections of the underwear and hosiery trade were actively engaged on war work in 1942.

Figures on actual volume of knitted goods manufactured have not been disclosed, but during 1941, the last period for which figures are available, net value of hosiery and knitted goods at manufacturers' prices was $36.9 millions, an increase of $4 millions or 12.8% over corresponding figures for 1940.

The industry produces for both the Canadian and British Governments. Current annual commitments are listed as: socks and stockings, 5.9 million pairs; underwear, 4.7 million pieces; outerwear, 905 thousand garments; gloves and mitts, 1.8 million pairs; and some 750 thousand miscellaneous knitted items. In addition, large quantities of knitted apparel are made for the Red Cross and other essential services.

Since 1942 supervision of production and distribution of woollen and worsted yarns has been handled by the wool administration which centralizes all orders for such yarns. This practice was found to be essential in order to secure for knitters the required types and quantities and, according to trade sources, has worked satisfactorily. On cotton yarn requirements, knitting mills have been assured of priority of supplies from Canadian spinners.

Celtic Knitting

Celtic Knitting Co. Ltd., manufacturers of hosiery and socks in the lower priced field, continues to report production well maintained in spite of shortage of materials and labor.

While a large share of the output is for civilian consumption, the company has also undertaken to manufacture for the Army and Air Force. It is anticipated, says President E. P. Gordon, that operations will continue satisfactorily throughout the balance of the year, subject to limitations of labor and materials.

There has been very little change in operating profits in the last four years, the average being around $35,000 a year. A small net profit has been shown, but no dividends paid on the common stock. Through conservation of surplus earnings, the company has built up its net working capital to around $107,000, or double that prevailing in the prewar years.

Mercury Mills

Sales of Mercury Mills, Hamilton, were some 8.6% greater in 1942 than in the previous year. Officials of the company state, however, that increasing pressure of Government controls and difficulty in obtaining sufficient raw materials is having a noticeable effect on present operations.

Standard profits of the company have been established by the board of referees, and current tax provision of $177,968 is on that basis.

The company has plants at Hamilton and Listowel, Ont., the latter operated by the subsidiary, P.K. Mills, Ltd. Equipment provides for production of a wide range of knitted goods.

The outstanding funded debt has been substantially reduced. Balance sheet at Dec. 31 provided for the $30,000 serials, which matured Feb. 1, and a reduction of $100,000 has been made through sinking fund in the amount of first mortgage 20-year 5% bonds outstanding. Sinking fund provides for a percentage of net operating profits annually for the redemption of the 20-year bonds.

Of the original issue of $150,000 serials there has been retired to date $90,000, leaving $60,000 outstanding. Original amount of 20-year bonds was $801,000, now reduced to $701,000.

Monarch Knitting

Net profit of Monarch Knitting Co. gained $54,199 in 1942 over the previous period, although supply shortages have to some degree affected the company's operations and made the outlook for the future somewhat uncertain.

The company has three factories, the largest at Dunnville, Ont., and the others at St. Thomas and St. Catharines. Production includes heavy and fancy knitted goods, lingerie and hosiery, and a full range of staple and novelty yarns for hard knitting.

The company has offices and warehouses at Toronto, Ottawa, Montreal, Winnipeg, Calgary and Vancouver.

J. R. Moodie

J. R. Moodie Co., Ltd., Hamilton, manufactures underwear and knitted goods, and business activity has been satisfactory in recent years even under wartime conditions which have noticeably affected all branches of the textiles industry.

The company has authorized and outstanding 30,000 shares of capital stock. The funded debt consists of 6% first mortgage sinking fund series A bonds, due July 1, 1948; $350,000 outstanding, callable at 101 to 1943 and 100 thereafter. Sinking fund payments were waived from July 1, 1942, to July 1, 1948.

N. S. Textiles

Somewhat lower operations are reported currently by Nova Scotia Textiles Ltd., of Windsor, Nova Scotia, owing to the difficulty in securing certain types of yarns.

For a time the plant was operating day and night, but the shortage of materials necessitated a slowdown.

Normally the company produces a wide range of knitted goods of both cotton and woollen materials for men and women. Its products, mainly for civilian consumption, are marketed across Canada under the company's own trade name and those of private distributors.

Penman's

Operations of Penman's Ltd. to date this year have been on a par or slightly lower than 1942. Production has been affected by difficulty of getting labor and, according to President A. F. Baillie, no signs of improvement in this respect are seen.

Sales in 1942 reached the all-time record figure of over $8.4 millions, an increase of nearly $400,000 over the previous record established in 1941.

Direct war business was responsible for a comparatively small proportion of the total. However, government business is tending to increase as the supply of raw materials and materials available for civilian consumption decreases.

As one of the principal woollen converters in the country, Penman's has a well-established national market for knitted goods, hosiery, underwear, sweaters, etc.

Net earnings last year were the largest recorded by the company in any year since it was established in 1906, with share profits amounting to $4.81. This was exclusive of the refundable portion of the excess profits tax which amounts to over $1 a share. The full application of the excess profits tax will pull down earnings for 1943, but the dividend of $3 a share should be covered by a fair margin.

Regent Knitting

Sales of Regent Knitting Mills so far this year are on a better scale than a year ago. The major share of work is on government account, ranging from 60% of production in some departments to 90% in others.

Last year new equipment was installed at a cost of nearly $100,000 in order to permit undertaking a larger volume of war business. Results have been up to expectations and management reports plans for further capital expenditure, not only to add to productive capacity but also to modernize equipment.

During 1942 the company experienced a record volume of business, sales being 31% over the previous year. War orders were responsible for the increase, though there was a strong demand from the civilian market. Gross profits rose to the largest level in the history of the company, while net profits were above average after allowing for substantially higher taxes.

Financially Regent Knitting Mills has done a great deal to improve its position in recent years. Since 1937 the funded debt has been lowered from $525,000 to $400,000, with a further $25,000 retired this year. The working capital has been built up from $751,151 at the end of 1938 to over $1.1 millions at the close of last year.

York Knitting

With plants in Toronto, Hamilton and Woodstock, York Knitting Mills Ltd. is engaged in spinning cotton, woollen and worsted yarns and in manufacturing men's, women's and children's hosiery and underwear. This company is an amalgamation of York Knitting Mills Ltd. and Zimmerknit Co. Ltd. which went into effect in 1937 which involved assets of Toronto Hosiery, Woods Underwear, Zimmerknit, Harvey Knitting, and Hosiers Ltd.

They are manufacturers of such well-known merchandise as "Harvey-Woods," and the company has exclusive rights in Canada for "Hatchway," "Quickees," "Twin-Line" and "P.D.Q." products.

Dividends on preference stock have been paid regularly. Expenditures on new plant amounted to $30,051 in 1941. Obsolete equipment of a net book value of $15,000 was scrapped and was used for war purposes.

Chipman Knit HOSIERY
Registered
ESTABLISHED 1902

Our Wartime policy — is to make the most durable merchandise possible with available materials and labour, and to simplify our products so as to obtain the maximum quantities for civilian use without sacrifice of quality.

The great scientific, technical and mechanical advancements brought about by wartime experiments will be reflected and incorporated into the textiles of the future — by way of both materials and machinery — making more durable and beautiful the articles of common use.

We will most certainly take advantage of these new developments to bring to Canadians the best knit goods available.

The Chipman, Holton Knitting Co.
Limited
HAMILTON - ONTARIO

Hard Times Hit the Nursery

Shortages in Infants' Wear Get Worse

Shortages of canned peaches and electric stoves are now a commonplace. It is really news, though, when results of labor shortages in certain textile mills hit the nursery population.

Babies' and children's underwear, socks, sleepers, knitted suits, etc. are going to be even scarcer this fall than in past months, The Financial Post is told. New babies—and they are increasing in numbers—need complete new outfits to start off with. Children outgrow clothes almost overnight, some parents would be inclined to maintain. Moreover, with increasing marriages among the armed services, it may be expected that the baby population will be on the up and up. Junior, therefore, may have to go short on his essentials.

Similar shortages, perhaps not so serious, are likely to hit all knit goods, including those for adults, industry spokesmen claim.

Main reason, though, for the predicted infants' wear shortage is because the Ontario and Quebec textile industry is short at least 5,000 employees in its three branches: cotton, wool, knit goods in the civilian manufacturing divisions.

Employment figures in cotton started downhill in Oct., 1941. In the knit goods the slump began in Dec., 1941, and wool followed suit in June, 1942.

In the period between Jan. and May, 1943, output of the industry dropped 11% under 1942. It is now back to the level prevailing for the same period in 1940. As a result pressure this fall will be felt acutely in the children's and infants' wear fields.

The industries concerned find numbers of their employees moving into higher-paid war industrial plants.

Civilian Work Non-essential

In textile plants both war and civilian goods are produced in the same factories with the same machines and with the same working people. But whereas wages for high priority industrial workers are at a rate higher than ever before paid in Canada, wages and prices in the civilian division have been frozen to the 1941 level. Naturally workers are shifting to the high wage field. And they cannot be stopped because the textile industry has never been classified under selective service regulations as an essential service, spokesmen for the textile industry say.

The United States was faced with a similar labor situation as in Canada. The U. S. Manpower Commission attempted a solution by giving every occupation in the textiles industry an essential classification, excepting occupations in the production of fancy goods, such as brocades, damasks, laces and velvets.

The new classification means that under the U. S. Manpower Commission Order textile workers cannot leave their jobs to move to other essential work at higher wages unless such transfer takes place within the terms of an employment stabilization program.

As a result of the new classification of the textile industry in the U. S., output was 12% greater in the first quarter of 1943 than in 1942. Even Great Britain has been compelled to recall 50,000 cotton workers from other war plants.

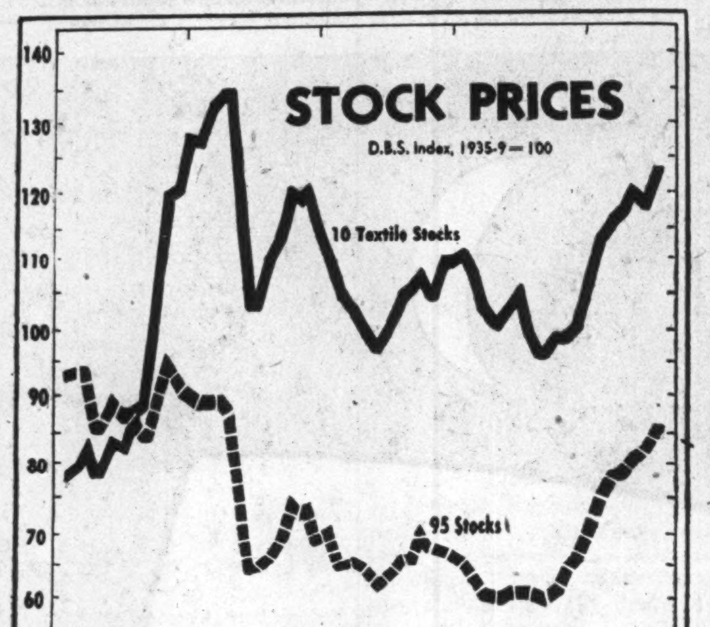
Some solution for the Canadian industry is needed to provide enough labor to produce the cotton, wool, and knit goods for essential civilian requirements, industry representatives claim.

Textile Investments Lead

(Continued from page 13)

profits correspondingly lower.

But the strength in textile securities has not been entirely based on current earnings and operations. Favorable war news, bringing with it the hope of an early victory, has led to a reappraisal of the position of the industry, and of the respective companies in Canada.



Starting point of the postwar position of the textile industry is the radical improvement in working capital. For the first time in many years, the industry has had an opportunity to operate at full capacity, with the result that depreciation has been maintained at an adequate level and working capital has increased. In 1942, almost all the companies dealt with showed further substantial improvement in their working capital position. Moreover, it has not been possible, owing to the wartime shortage of machinery of all types, to increase substantially the investment in plant and equipment.

As a result the industry is probably in a more flexible position than it has been for many decades. It has an ample fund of working capital and presumably many firms will be in a position to re-equip large sections of their productive plants with machinery of the most modern type shortly after the end of the war.

This factor alone would appear to account for a fair degree of optimism concerning the future for the Canadian textile companies. Whether or not the industry concentrates on domestic trade, or enters the export market after the war, the flexibility that has been gained during the war will make it easier for the individual firm to adapt itself to prevailing conditions. This is in marked contrast to the conditions existing five or six years ago, when funds were considerably less plentiful and the textile companies had to adjust as best they could to the prevailing conditions.

It is also a fundamental of the textile situation that although techniques have been modified during the war, such as the adaptation of knitting machines to handling rayon and nylon instead of natural silk, there have been no revolutionary changes of a technological nature which would drastically upset the existing pattern of production.

For the most part, Canada's textile industry is based on the use of imported materials or synthetic materials made within the country. Hence, if the public displays a preference for nylon hosiery against natural silk, or for rayon against nylon, the change will be of extreme importance to the producers of the raw materials, but not to the fabricators of the finished article.

In consequence, the long-term outlook for the textile industry is probably more stable than that of many other manufacturing trades in Canada.

Cotton Goods Use Up 58.6%

Year	Canadian Production	Imports into Canada	Exports from Canada	Can. Consumption	Per Capita Consumption (yards)
	(In thousands of yards)				
1936	226,121	92,744	683	318,182	28.9
1937	240,596	99,753	978	339,371	30.5
1938	203,184	93,358	871	295,671	26.4
1939	242,620	122,602	2,498	362,724	32.1
*1940	284,444	123,550	10,121	397,873	34.8
*1941	324,256	148,295	16,696	455,555	39.5
*1942	310,000	212,439	17,661	504,778	43.4

* Estimated by Cotton Institute of Canada.

Textile Fibre Supplies

COTTON—Bulk comes from United States where the supply is still plentiful. Transportation is mostly by rail and, though heavy traffic means occasional slow deliveries of individual shipments, large-scale advance buying solves this problem.

Fine Egyptian cotton is also used for many war products, but there is no great trouble as yet getting supplies. Long water haul is menaced by the submarine, but constant flow of ships carrying war supplies to Egypt provides bottoms to return with cotton.

Brazil, once supplying 40% of our cotton needs, is now at war. Imports from that country have fallen sharply. Increased shipments from U. S. have replaced this loss.

Small quantities of Peruvian cotton—fine quality—have been imported in the past, but shipping dangers of the Caribbean make supplies uncertain.

* * *

WOOL—Canada's raw wool still comes largely from Australia and New Zealand. Loss from enemy action is a danger but, as with Egyptian cotton, ample shipping carrying war supplies to that area means space available to bring back wool, most of which is earmarked for the troops.

Domestic production of wool, substantially higher, provides about 20% of requirements of Canadian mills. Improvement in production and grading of home wool is important in this field.

* * *

LINEN—Has lost most of the prominence it enjoyed in the war of 1914-18. It still must be used for certain items. Fibre flax, from which linen is made, has always been grown by Canadian farmers to some extent. Production has increased considerably in past few years, much of the flax fibre being shipped to Ireland now. Canada has just opened its only mill for the spinning of fine linen yarns and a percentage of the home crop will be enough to keep this operating.

* * *

SILK—All sources of supply cut off. Japan provided most of it for us until hostilities began. Even "Chinese" silk was largely handled through Jap-held ports. There is some silk produced in Italy—but not for Canada. Even the censor does not know how much silk remains in Canadian stockpiles for military use.

* * *

NYLON—Canada now makes its own synthetic fibre. New plant at Kingston is said to be more than able to meet all calls for military needs, but none is released for civilian use. Nylon's great job is to replace the silk we no longer get.

* * *

RAYON—Former level of imports, largely from Britain, has been difficult to maintain. Canadian production has dropped some, struggling to hold up against problems presented by chemical shortages and lack of equipment. For civilians there has been a cut in available supply, due to diversion to war needs and replacement by rayon of such lost items as silk for civilian purposes.

Textiles Look Ahead

(Continued from page 13)

into play many features, some intangible and few of which are controllable. They can be foreseen, studied and discussed, but their solution depends upon developments which cannot be fully evaluated at this time.

Demands for peacetime goods in the first year to 18 months after the war is expected to exceed capacity to produce. Every mill in Canada will be hard put to meet the demands made upon it by distributors. But once the peak of this demand is passed, competition will grow increasingly keen. This will apply not only as between Canadian mills, but from plants in the United States and Britain.

In pre-war days competition from Lancashire and New England was one of the greatest problems with which the industry had to contend. Tariff protection was afforded, but the offering of American and British goods in the Canadian market at times created an acute condition for Canadian mills.

Tariff Policy Uncertain

How international trade will shape up after the war is anyone's guess at this time. A greater measure of free trade is strongly advocated in many quarters. On the other hand, it is hardly conceivable that industries of national value will not be given some measure of protection. But where the line will be drawn is something to which even the governments themselves have no answer at the moment.

Wartime conditions and consequent scarcity of supplies bring a tendency to lower tariff barriers. Such has been the case in Canada. The last vestige of a tariff on cotton goods from England disappeared three years ago, possibly never to return. There are still duties on U. S. goods, but as Blair Gordon, president of Dominion Textile Co., largest cotton operator in the Dominion, says:

"It would seem that we must adjust ourselves to the idea that these too may be practically removed."

May Retain Controls

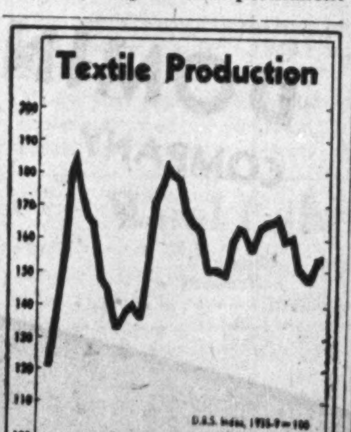
Linked with tariffs are postwar controls. Practically all the trade controls and regulations brought into force as wartime measures have come from within the industry. Some are of value and may be accepted as a permanent part of postwar operations.

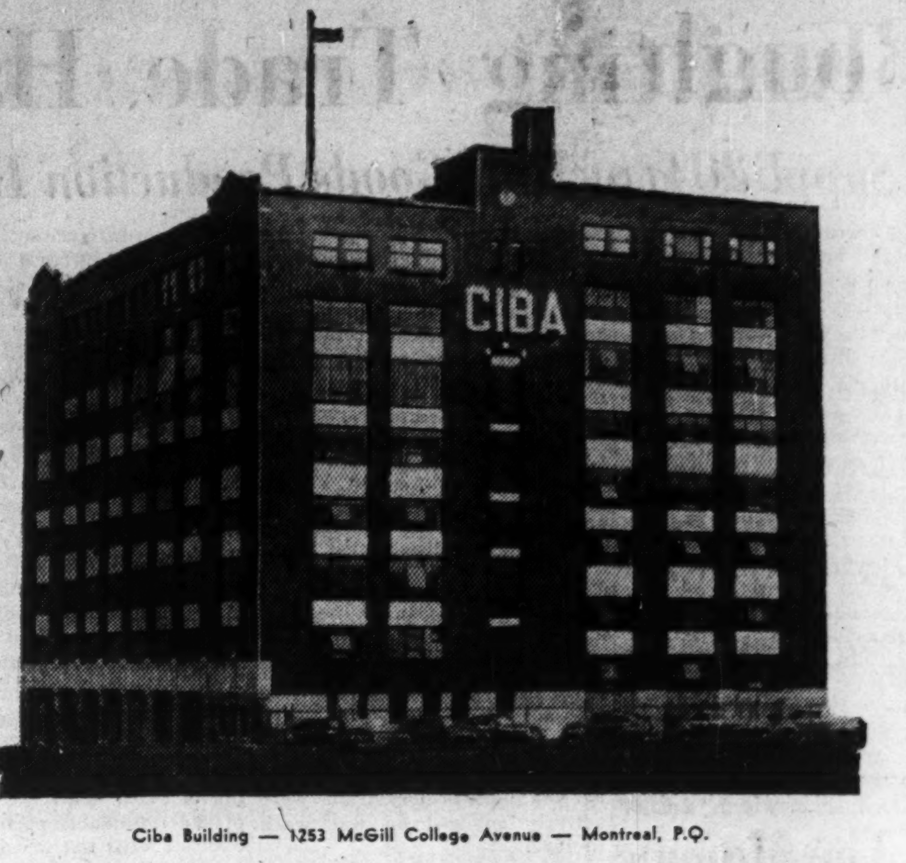
But for the industry, both primary and secondary, to protect its position in the domestic market, it may be necessary to coordinate activities more closely than under existing regulations some of its members feel.

Import competition can best be met through closest control of all phases of activities to assure the consumer the highest quality article at the lowest possible cost some claim.

To that end it is possible, and even probable, that Canada's textile industry will enter the postwar period with an organization based upon present controls and regulations, modified or expanded, and with the basic idea of protecting its own position.

The Canadian textile industry occupies a vital place in Canada's economy. It is determined to hold that position, and to play as important a part in the rehabilitation period as it does in wartime.





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Artificial Fabrics

Rough Road Ahead For Rayons

Supplies Affected by Shortages of Chemicals and Machines

Chemical shortages and lack of equipment caused Canadian rayon production to record a small decline last year. Imports from Britain were difficult to maintain, and Canada had less rayon to meet its greatly expanded needs in 1942 than was the case in 1941.

Coming into 1943 inventories, both in the hands of the mills and users, were lower than they had been for some time. No particular easing of the situation is expected this year and all signs point to a dwindling supply for civilian usage, as the demands for war purposes must first be met.

Rayon is the Cinderella of the textile family. It was making consistent and, at times, even rapid headway prior to the war. The public was accepting it readily, not only because of its lower cost in relation to silk but for its own qualities.

Then war broke out. Raw silk imports from the Far East were cut off. A substitute had to be found and quickly. Rayon stepped into the breach. In doing so, demand jumped sharply. Production over the last five years has practically doubled, but the need for both war and civilian purposes is still greater than the available supply.

Face Many Problems

But the going is getting tougher for the rayon industry. Chemical shortages, which first became apparent in 1941, became progressively worse in 1942. The labor supply has shrunk due to enlistments of male workers; imports have declined, especially from Britain; machinery has become increasingly difficult to get.

In the face of these dilemmas the supply of rayon filament yarn last year decreased by 14½%. This decrease was a consequence of a fall of 13% from domestic sources and a reduction of 22% from import sources, according to figures compiled by the Manual of the Textile Industry of Canada. In total there was 22.4 million lbs. or 3.8 million lbs. less filament yarn in 1942 than in 1941.

Working primarily to handle problems of civilian supply but in close co-ordination with requirements of the armed forces, WPTB has appointed an administrator for rayons; S. G. Dixon, Montreal, who handles this job, is a Montreal lawyer, recently elected a director of Courtaulds (Canada) Ltd.

S. G. DIXON

Two types of filament yarn are available on the Canadian market—viscose and acetate. Last year acetate yarn accounted for 43% of the total supply. The share of the total imported was 15%.

Imports Fall Away

Nearly 3.5 million lbs. of filament yarn were imported in 1942. Britain supplied over 3¼ million lbs.; the United States the balance.

A similar trend but to a more important degree was evident in the supply of staple fibre. While 1941 was a record year—over 8.1 million lbs. imported—the drop in 1942 to 32% was severe and further added to the difficulties of raw material supply.

These trends in yarn and staple fibre supply, the Manual reports, could normally have been expected to be followed by similar decreases in rayon fabrics and other rayon manufactures. There was a small decrease in fabric output, but the fact is that the decline in yarn supply was a progressive matter in 1942—the latter months were more severely restricted than the early months and it was only toward the end of the year that decreased supply, together with decreased producers' inventories, finally forced a drop in fabric output.

The inventory position of all rayon yarn users had reached practically minimum levels by the end of 1942. The Wartime Yarn Supply Committee continued its efforts to distribute supplies equitably in relation to quantities available and stocks on hand. The result was that all rayon-using trades completed last year with about equally reduced inventories. The yarn shortage would have affected goods output more seriously if an uneven inventory position had been allowed to develop.

Smaller Supply Anticipated

There are a number of major uncertainties ahead of the rayon industry which make it difficult to appraise the outcome of the current year.

Maintaining Canadian production, in view of labor, machinery and chemical shortages, is a problem of no mean magnitude. Some relief has been afforded by the greater use of rayon staple fibre and the action of rayon weavers in simplifying their lines. But if the available supply is to be maintained, additional imports will be necessary, otherwise the supply for civilian consumption will be even lower than in 1942.

Canadian Rayon Consumption

Year	Canadian output Thousand	Domestic supply Yards	Use per capita Yards
1942	77,552	87,997	7.56
1941	83,151	90,671	7.86
1940	58,909	62,809	5.50
1939	50,109	57,038	5.04
1938	37,809	43,883	3.91

Belding-Corticelli

War supplies continue to be produced in considerable volume by Belding-Corticelli Ltd., but raw materials are increasingly difficult to secure in sufficient quantities to keep the company's mills operating full time.

In peace this company practically controlled the market in Canada for silk threads, ribbons, braids, tapes, etc. In the fall of 1941 all raw silk supplies were commandeered by the government for essential war purposes. While silk is still being used by the company on government contracts civilian requirements are being met with rayon yarn.

While numerous problems have had to be overcome since the outbreak of war, earning power has been maintained at a comparatively high level. Net profits in the fiscal year ended November last were the highest since 1929 and enabled the company, in part, to pay an extra dividend of $2 a share.

Ever since the outbreak of war the company has maintained a strong inventory position, the value of supplies at the end of last November totalling over three quarters of a million dollars, or half as large again as in peacetime.

This heavy inventory position should serve the company in good stead. There is no lack of demand, sales and output depending upon securing adequate supplies. A large volume of articles is being made for war use, for which the the mills are especially equipped to produce. While as much as possible of the over-all output is diverted to civilian consumption, supply for the latter is expected to grow less as the year goes on.

Bruck Silk

Sales of Bruck Silk Mills, Ltd. for the first four months of the current fiscal year showed a rising tendency and it is hoped that this will be maintained if sufficient raw materials are obtainable.

All of the company's mills, with the exception of the spinning and weaving departments, are operating at capacity. These two departments are being held up somewhat due to insufficiency of materials.

The plant of the English subsidiary is not operating at present due to wartime conditions, but it is hoped that business will be resumed after the war.

Sales of the company in the fiscal year ended October 31, 1942, were nearly 20% greater than the year before. Export business was reduced, as expected, due to war conditions. However, contacts with established customers and foreign markets have been maintained in order to resume trading when conditions permit.

Despite increase in sales, net profits were somewhat lower owing to heavier provision for taxes, higher cost of labor and raw materials. Earnings on the common amounted to $1.49 a share, as against $2.14 the year before.

Dividends on the common stock were resumed in March, 1942, with payment of 10 cents a share quarterly. At the annual meeting it was stated directors have given serious thought to the matter of increased dividends, always having in mind that a substantial reserve should be accumulated for the postwar period.

A feature of the company's position is continued maintenance of a high inventory position. Value of inventories is over $1 million or about double the prewar average. This should stand the company in good stead in view of increasing difficulties in securing new supplies.

Canadian Celanese

Canadian Celanese Ltd. will shortly undertake construction of a $5 millions plant in Drummondville, Que., for the manufacture of strong yarns, artificial wool, plastics and some chemicals. When in operation the new unit will employ about 2,000, in addition to those already employed in existing plants.

No definite decision has been reached as to the type of products which will be produced in the new plant. This is a matter, it is understood, which will be decided largely by the Department of Munitions and Supply as the new unit will be primarily for war purposes, though it will form an integral and important part in the company's postwar plans.

Operations of the company's Drummondville plant continue at a high level except for a short period last month when production was curtailed temporarily due to a scarcity of a raw material.

Sales in the first quarter of 1943 were 13% above the corresponding period in 1942, with profits before provision for taxes ahead of 1942 in the same proportion.

Demands for Celanese have risen sharply due to the war and products have been developed which can be used for parachutes and tapes, balloon cloth and uniforms, for electrical insulation, etc. Research work has been pushed to develop new products and new uses for existing products, both for present and postwar demands.

Half a Million Gain

Sales and production last year were on a record scale, net operating profit amounting to over $5 millions, a gain of $500,000 over 1941. Sales were stimulated by the disappearance of silk fabrics from the domestic market, which resulted in new and additional buying for Celanese products.

Owing to substantially higher provision for taxes, net profits were about $200,000 less than the year before. However, the common dividend of $2 a share was covered by a wide margin. The maintenance of earnings at this high level is indicated by the fact that last month the company declared an extra dividend of 25c a share, in addition to the regular quarterly dividend.

With the full 100% excess profits tax in effect this year, Dr. Camille Dreyfus, president, states the company will not be able to retain net profits in excess of $1.88 a share on the common stock. This is 12c a share under the amount disbursed on the common stock in 1941 and 1942. Furthermore, in view of the payment last month of the "extra" dividend on the common stock, it would appear to be the policy of the company to pay out some of the earned surplus accumulated since 1939, a step which is permissible under rulings of the Foreign Exchange Control Board.

Ontario Silknit

Consolidated operating profit of Ontario Silknit Ltd. was substantially higher in 1942 than in the previous year but final net profit was approximately the same. Canadian companies showed a large gain in operating profit which was largely absorbed by taxes. English and Australian subsidiaries had moderately lower net. These subsidiaries represent approximately 35% of the total assets of the company.

Three dollars was paid on preferred shares in 1942, leaving in arrears at Dec. 31, $29 per share.

During 1942 working capital showed a gain of approximately $120,000.

Riverside Silk

Riverside Silk Mills, Ltd., as a prewar manufacturer of silk, rayon and nylon yarns used in the making of underwear, hosiery, etc., has had to carry out substantial readjustments in output. Silk supplies have been curtailed and diversion to other products and more direct war essentials has necessitated use of substitute yarns.

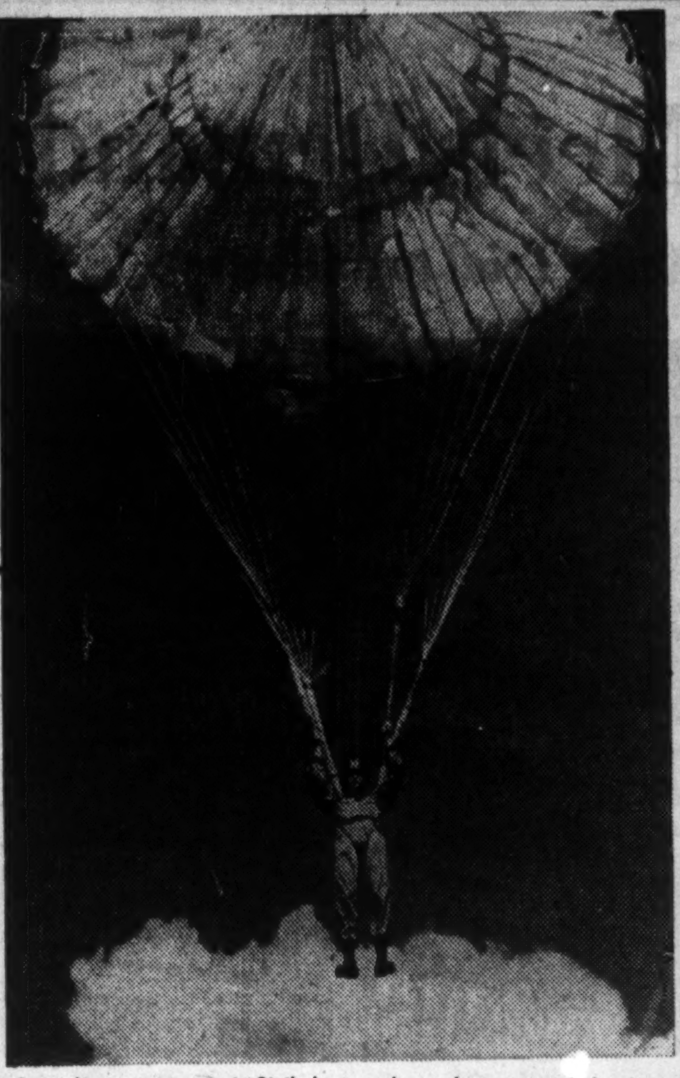
The company's net profit in 1942 was $71,592, as against $74,282 in the previous year, a small drop in relation to conditions which have affected all branches of the silk trade. Cash in hand at the close of 1942 was $69,624, down from the 1941 figure of $214,274, but the change was more than offset by a rise in government bonds to $446,944. Merchandise and supplies were $37,545 as against $66,033.

Supersilk

Supersilk Hosiery Mills, Ltd., London, is running with only 55% of prewar staff and operating conditions are stated by W. S. Thompson, president, to be "serious in character." However, the company has maintained a strong condition.

Total production has dropped substantially from prewar levels, and merchandise is being rationed to customers on a quota basis and every effort is being made to maintain goodwill.

Net profit in 1942 amounted to $69,185, as against $66,935, in the previous year.



Canadian paratroops in Sicily last week owed many a safe landing to the strength of their nylon and silk parachute equipment. Here is one of them pictured during a training jump.

Textile Fabric Use Records Sharp Gain

What the war has done to Canadian taste in textile fabrics is set out in figures compiled by the Canadian Textile Journal. From 1937 to 1942 consumption of cotton textile fabrics increased by a third. The gain in woollen fabrics was somewhat less, while the use of rayon fabrics jumped nearly 62%.

Canadian Textile Consumption (in yards)

Fabric	1942	1941	1939	1937
Cotton	43.4	39.5	32.1	30.5
Wool	3.8	3.7	2.5	2.9
Rayon	7.6	7.8	5.0	4.7

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And, at the same time, due to the demands of war upon other fibres, rayon is, more than ever, filling the need for civilian merchandise.
But rayon's future has only begun. The important part that rayon is to play in the post-war picture is already being visualized. And, while rayon even now is the second most widely used fibre in the world, we have only just begun to see what development this important all-Canadian product will play in the post-war period. *It is the fibre of the future.*
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Textile Chemistry

Dyestuffs Trade Meets Demands

Lack of Skilled Help is Acute Trial to Industry

As our parachutists drop behind Sicilian defenses or our soldiers peer at the sky back of camouflaged guns on the English coast, they are wearing the khakis and olive greens, the greys and chrome browns provided by the Canadian dyestuffs industry.

The products of this branch of the textile trade have been in the thick of the fight, but the industry itself has been working unspectacularly on the home sector. In the battle of production dyestuffs men are waging incessant war to maintain output, handicapped as they are with decreased numbers of skilled people needed to do a highly technical job.

When war began, Canada had no dyestuffs plants, depended on foreign sources for supply. Today, through careful allocation of supplies on hand and development of domestic facilities, Canadian textile makers are not handicapped for want of dyes, are able to meet all military requirements, most civilian ones.

"The labor situation has been a heartbreaker to us," said the head of one large dye plant. "While we have had no difficulty in obtaining necessary dyestuffs and fabrics to dye, our greatest trouble has been to get the right kind of help. In this respect, little consideration has been shown the textile industry by the authorities."

Control Supplies

Unlike the last war when Canada relied exclusively on Germany for certain dyes, the country is not faced with a color famine. This time, while Canada entered the war with no dyestuff plants of her own, she was able to turn to American, British and Swiss producers for large quantities of the colors needed.

Production in Canada of dyed woollen military cloths increased from 597,000 yds. in 1939 to 9 million yds. in 1940, with civilian cloth output remaining constant at 16 million yds.

Dyed cotton goods showed an increase in 1940 to 463,526 bales as compared with 340,000 bales in 1939.

Manufacture of military textiles called for tons of dyestuffs not normally stocked and these had to be secured from Britain, who herself was consuming the output of her dye plants in ever increasing quantities, and from the U. S. who also had to expand her plants to assist Canada.

Advisory Committee Formed

To obviate likelihood of a breakdown in continuity of the supply of dyestuffs, a Dyestuffs Advisory Committee was formed in 1940. Co-operation of suppliers and consumers kept the situation under review. As a result there was no case reported of a mill on government work having to shut down for shortage of color. Civilian trade was only slightly inconvenienced.

The year 1941 was a difficult one owing to shortages of some dyestuffs. Certain buyers feared a recurrence of the 1914-18 color famine and they set about buying in large quantity—such overstock caused certain temporary shortages.

In 1942 there was a decline in demand for dyestuffs because of higher than normal consumption in 1941. As firms went more into military production, buyers of color for civilian purposes lived off their new inventories rather than taking replacements.

In 1941 29 establishments were engaged primarily in dyeing and finishing textile goods, exclusive of plants with their own dye departments. Capital invested in the 29 amounted to $6 million. There were 1,587 persons employed, deriving a total of $1.9 millions in salaries and wages. Gross value of work performed amounted to $7 millions, and the value added by work totalled $3.6 millions.

Dyestuff establishments are located in Ontario, Quebec and Nova Scotia only. Ontario has 17 plants, employing 828 persons, while Quebec with 11 and Nova Scotia with one, together gave work to 759. Sixty-nine per cent of the capital is invested in Ontario plants which absorb 52% of the total number of employees in the dyestuff industry.

Between 1940 and 1941 value of work performed increased 48% or $2.4 millions. An increase of 377 persons employed was registered during this period plus $540,752 in the amount of salaries and wages. Capital invested was $1.2 million higher.

Of the gross value of work performed in 1941 — $7 millions — 52% was represented by the dyeing and finishing of textile fabrics. Dyeing and finishing of yarns amounted to $2.5 millions, or 35%, while printing and painting of fabric and all other work totalled $926,109.

Of the total employee roll, 80% is male.

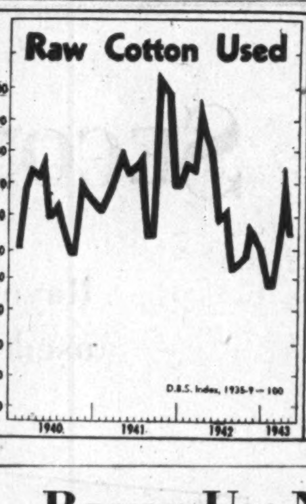
Decreased supplies from Switzerland and loss by enemy action of cargoes from Britain in latter part of 1942 did not seriously affect the Canadian situation because importers from overseas had planned months ahead for 1942 supplies to replace stocks depleted from heavy buying in 1941.

Stocks of colors for civilian use were adequate at the end of 1942, with enough khakis, olives, greys, browns, blacks and yellows for the military.

At the beginning of 1943 U. S. restricted consumption of civilian dyestuffs on a quarterly basis to 15% of total 1941 consumption. But as civilian textile production in Canada was less than 60% of the 1941 figure, no alarm was felt.

Wartime shortages of both natural and synthetic fibres necessitated use of substitute fabrics such as mixtures of wool and cotton, wool and viscose, acetate and viscose, etc. Moreover, technical difficulties were encountered by the industry in connection with production of fast shades on mixed fabrics. This led to rumors being broadcast that colors are not as fast as prewar. Actually, though, the same color fastness can be achieved as with prewar materials.

Most of the firms contacted by The Financial Post reported labor shortages of varying degrees. It was felt that a general decrease over the past six months would be noted in production and the number of men employed. Any shortage of specialty colors — coming from Germany — affect civilian consumption only. The number of shades have been cut. Only five are permitted for men's hosiery and 37 for yarns for knitted men's and women's outer wear.



How Textile Wages Rank

(Compiled from Dominion Bureau of Statistics Data)
Employee Weekly Earnings

	May 1, 1943	May 1, 1942	Sept. 1, 1941
Automobiles and parts	$40.69	$38.56	$31.49
Steel shipbuilding and repairing	37.82	35.75	33.88
Iron and steel products	35.91	34.04	31.15
Transportation	35.70	34.49	32.82
Electric light and power	35.53	34.49	32.35
Mining	35.46	34.83	33.06
Non-ferrous metals	33.74	32.00	30.36
Pulp and paper products	31.33	31.10	30.55
Construction and maintenance	30.10	25.73	23.65
Chemicals	29.59	27.85	27.30
Textiles	21.49	21.00	19.36
Laundries	19.97	16.25	15.36
Hotels	17.48	16.25	15.36

Rayon Use Near Doubled

Year	Canadian Production	Imports into Canada	Exports from Canada	Can. Consumption	Per Capita sumption (yards)
	(In thousands of yards)				
1936	40,666	6,696	500*	46,863	4.25
1937	44,398	9,218	1,172*	52,443	4.72
1938	37,809	8,094	2,020*	43,883	3.91
1939	50,109	8,999	2,070	57,038	5.04
*1940	58,909	6,490	2,590	62,809	5.50
*1941	83,151	11,313	3,793	90,671	7.86
*1942	77,552	13,083	2,638	87,997	7.56

*Estimated by Silk Association of Canada.

Cotton Output 77% Over 1939

Canada's cotton textile mills in the first five months of 1943 operated at between 10% and 11% under last year's record figure, judged by the number of bales opened.

Cotton Consumption in Canada
Bales (500 lb. gross weight)

	1939	1942*	1943
Jan.	19,083	42,211	35,083
Feb.	20,254	41,924	39,291
Mar.	24,736	47,876	44,200
Apr.	21,129	44,391	38,611
May	24,637	42,237	38,116
June	28,203	40,589	......
July	26,865	41,873	......
Aug.	32,317	39,105	......
Sep.	30,011	38,830	......
Oct.	34,717	41,400	......
Nov.	42,200	40,145	......
Dec.	36,747	38,547	......
Total	340,900	499,128	......
5 mos. total	109,839	218,639	195,301

*All-time record.

War Stimulates Use of Hosiery

More Canadian women may be wearing "liquid stockings" that come out of a bottle, but hosiery manufacturers can prove statistically that they are wearing just as many pairs of "full-fashioned" as they ever did.

Last year average consumption by Canadian women was 8.4 pairs. This was less than half a pair, .4 to be exact, from the all-time record set in 1939. Compared with pre-war years, Canadian women are wearing more stockings now — the annual average from 1935 to 1939 being 6.7 pairs.

Textile Employees and Payrolls

(Dominion Bureau of Statistics Data)

	No. of Employees May 1, 1943	No. of Employees May 1, 1942	No. of Employees Sept. 1, 1941	Weekly Payrolls May 1, 1943 $000	Weekly Payrolls May 1, 1942 $000	Weekly Payrolls Sept. 1, 1941 $000
Thread, yarn and cloth	50,369	53,873	52,554	1,110	1,165	1,099
Cotton yarn and cloth	24,551	25,751	26,371	521	545	531
Woollen yarn and cloth	12,135	12,690	11,791	274	279	247
Artific. silk and silk goods	10,332	10,965	11,163	237	239	328
Hosiery and knit goods	22,196	23,486	23,860	446	449	424
Garments and personal furnishings	51,311	53,172	51,094	1,083	1,093	928
Other textile products	17,903	17,604	16,936	407	404	365
All textile products	141,779	148,135	145,496	3,046	3,110	2,817

TRADE MARK
"WABASSO"
REGISTERED

Serving Canada's Households

Trusted and familiar wherever cottons are used, the white rabbit trade mark of Wabasso represents more than just a product.
It stands for a great organization of 2,400 skilled workers, for an industry that has marched steadily forward for over 30 years, for an adherence to quality workmanship before all other considerations.
Wabasso's white rabbit trade mark is the symbol of one of Canada's outstanding enterprises.

Manufacturers of
Sheets Sheetings Printed Cottons
Slips Pillow Cottons Broadcloths
and a wide range of unbleached cloths for industrial purposes.

The WABASSO COTTON COMPANY, LIMITED
THREE RIVERS, QUE.

Fight to Maintain Price Stability in Textiles

This Group of Industries Lead Off in Volunteering Price Reductions to Enable Retailers to Sell Under the Government Price Ceiling

Besides its direct contribution to the war in the form of urgent military and war plant production, in addition to meeting civilian demands, the textile industry has played a leading part in the battle on the home economic front—the fight against inflation.

Over the year 1942 textile prices declined, a clear indication of the role taken by the industry in meeting the government price control plan for stability. The general index of fibres, textiles and textile products showed a drop from 96.7 to 92, according to reports.

The drop in the index has been almost entirely due to the rolling back of prices by mills in order that goods might be retailed at ceiling prices.

First Voluntary Move

It was in the textiles, in fact, that the first voluntary move of this nature was made. Shortly after Ottawa announced its ceiling on retail prices, the manufacturers comprising the primary cotton industry approached the government with a voluntary offer to reduce their prices in order to help make it possible to retailers to sell at or under the ceiling.

WPTB, which functions as a central control of prices, supplies and distribution for civilians, has acted in the textile field from its early days. As co-ordinator for the textile and clothing trades, W P T B has secured F. B. Walls, a man who has spent most of his life in the merchandising field and prior to his appointment with WPTB was general manager of T. Eaton Co. Ltd. of Montreal.

F. B. WALLS

It has been in cotton too that the price decline of the general index is most pronounced. Cotton fabric prices on the index slipped from 96.1 to 82.5 last year, and this over a period when raw cotton prices had climbed from 113.9 to 119.

Knit goods prices also showed a decline from 104.1 to 98.9, but rayon hosiery prices, raw wool and wool cloth prices remained steady and rayon products declined 1.4 points.

More Rigid Control

The year 1943 is seen by the textile industry as one of even more rigid control. Edgar G. Burton, Retail Trade Administrator of the WPTB has spoken plainly to the industry. He has warned them that the inflationary pressure on the ceiling must be met and has indicated what new restrictions textile men may expect.

For instance, the loose pricing of "new goods," a constant headache to price controllers, will be stopped. Mark-ups too will come in for more attention, and standardization, simplification and elimination of unnecessary lines will be stressed throughout the current year.

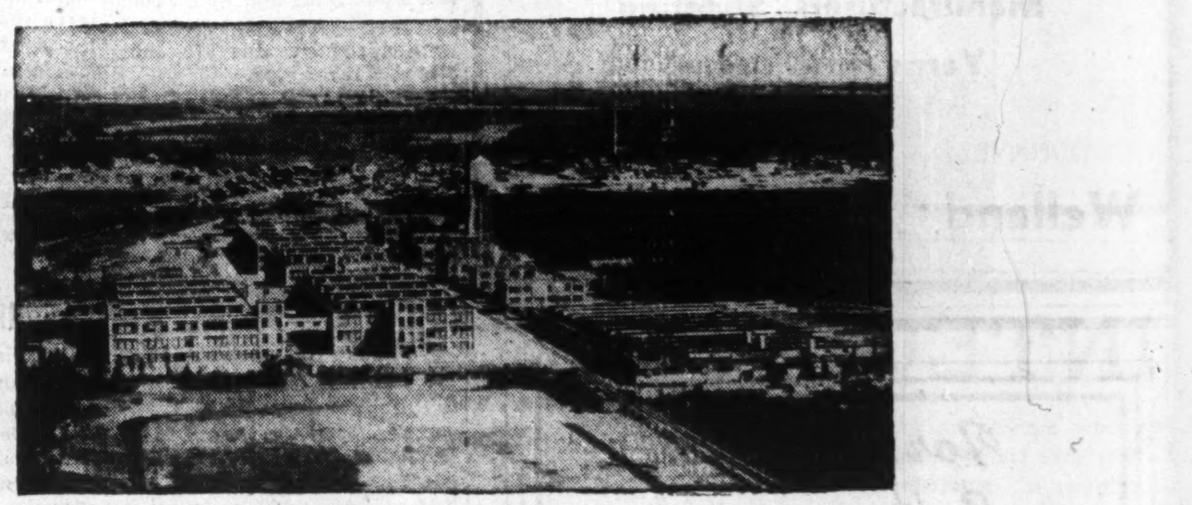
It is expected thus to effect a fairly firm stabilization of prices at present levels.

CONFIDENCE...
YESTERDAY—TODAY AND TOMORROW
Slips by DUNNING have earned confidence throughout years of service
Sulette
Formula
Tailored Lady
Pacemaker
The Complete Line of Quality Slips —by DUNNING
ONTARIO SILKNIT LIMITED
590 King St. West TORONTO

"Windsor Wear" for Men
"Evangeline" for Women
UNSHRINKABLE UNDERWEAR

NOVA SCOTIA TEXTILES Limited
Underwear Manufacturers
WINDSOR, NOVA SCOTIA

This is the Home of
CANADIAN CELANESE LIMITED
at Drummondville, P.Q.

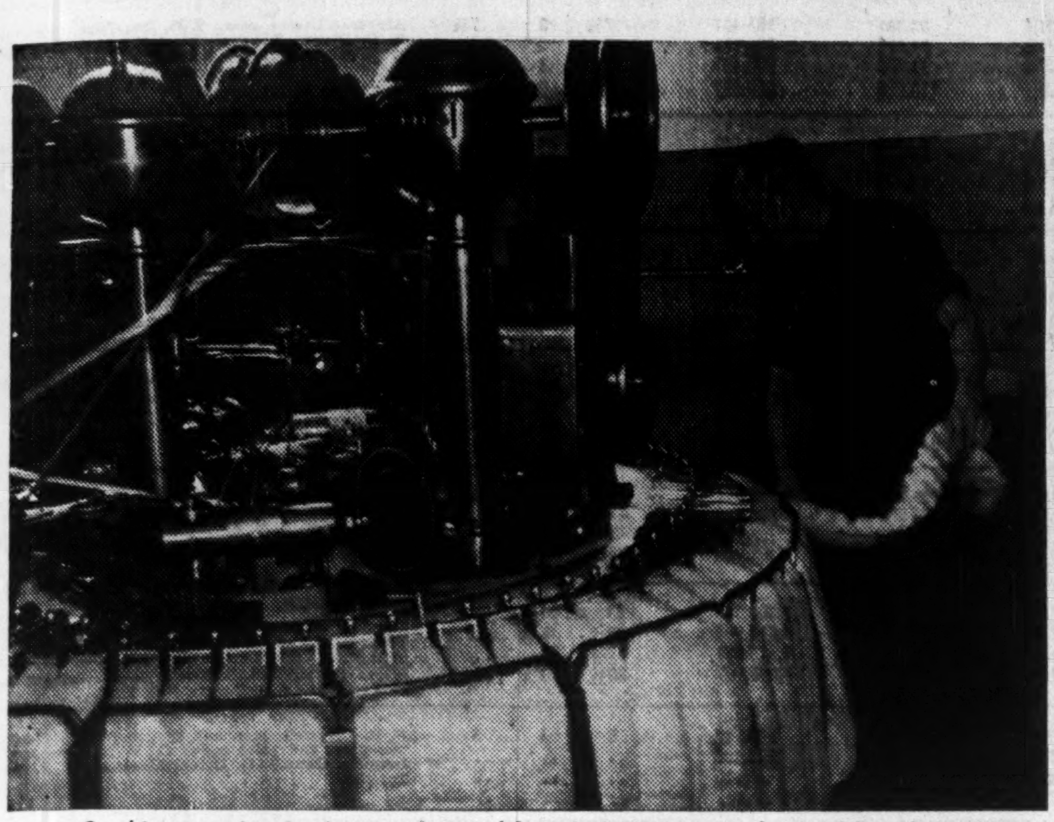


In WAR as in PEACE
"Celanese" SERVES
The "CELANESE"* Job is
FIRST to satisfy the NAVY, ARMY and AIR FORCE requirements, and
THEN to do the utmost to satisfy the great Canadian civilian demand... clothing the woman and the man behind the man behind the gun...
Buy Victory Bonds and War Savings Stamps
CANADIAN CELANESE LIMITED
1401 McGILL COLLEGE AVE. MONTREAL, QUEBEC
*Reg. Can. Pat. Off.

Woollens in Canada

Labor Lack Slows Mill Output

Charge That Needs of Wool Industry Are Overlooked



Combing, a major step in preparing wool for spinning into worsted yarn. More thoroughly than the human hand could ever do it, the mechanical comb sweeps the wool fibres end to end, removes those shorter than desired length.

With adequate plant, equipment and materials at its disposal, biggest headache for the Canadian wool textile industry right now is labor shortage.

Although military quotas will continue to be met, failure of the Federal Government to recognize the industry's special labor needs is tending to bring about a critical situation in civilian supply, The Financial Post is informed. Whether this danger may be averted by formation of the new National Textile Requirements Committee remains to be seen. Purpose of the Committee is to handle problems involving supply of textiles for military, industrial and civilian use.

So far as quantity and quality of available labor is concerned, in many woollen mills the situation is said to be unsatisfactory. Turnover has been very high, in consequence of which mills are handicapped by much unskilled help and production has suffered accordingly.

In this respect the Canadian woollen industry finds itself in much the same position regarding labor as was the United States primary textile industry until the U. S. Manpower Commission gave essential classification to almost all of its occupations. Today, by a Manpower Commission order, U. S. textile workers may not move to other occupations without permission.

Until a year ago the woollen problem in Canada was largely one of material supply and need for conservation brought about a nationwide program to stimulate wool production at home. The extent to which this program has succeeded is seen in the latest available DBS figures on wool production. These show a substantial increase in 1942 over the previous year's output.

Total production for 1942 was 17.6 million lbs. Production of shorn wool was 12.9 million lbs., an increase of 1.2 million lbs. over the 1941 clip. Increase in total of sheep shorn, together with a minor increase in average yield per fleece, was responsible for the increased output. Greater slaughterings of sheep and lambs brought about a minor increase in production of pulled wool. (For reasons of security wool export and import figures for 1942 are not available for publication.)

The entire 1942 clip was purchased by the Dominion Government through Canadian Wool Board Ltd., a Crown company established in March, 1942. This body now controls the entire Canadian wool production, sets prices for graded wool each season, and may do everything necessary to assure conservation of wool in Canada and to regulate its allocation. Canadian Wool Board buys only wool graded according to Canadian standards laid down by the Dominion Dept. of Agriculture.

The Wool Board's main objective on the "home front" is the maintenance and protection of raw material supplies and, if necessary, even the finished goods required for civilian use. To achieve this end it has followed two courses. The first was to appeal to all sheep owners to increase the size of their flocks wherever possible, and to use good fleeced rams that more of the wool required in this country may be produced here. (75% to 85% of Canada's wool requirements comes chiefly from Australia and New Zealand.) The second has been importation of types of wool best suited to Canadian needs.

Wool for military requirements is still the responsibility of Melbourne Merchandising Ltd., another Crown company, established in 1940.

Canadian Wool Board Ltd., of which David C. Dick, wool administrator for WPTB, is head, besides handling the entire Canadian wool production of 1942, has also been instrumental in securing and distributing supplementary raw materials, such as cotton and rayon. In these operations, the Board reports, usual trade channels have been used whenever practicable. Efforts have also been directed to wider use of Canadian shorn and pulled wools by the Canadian mill trade.

D. C. DICK

Since February of this year wool importation into Canada has been controlled by permit. The reason, as set out in order-in-council P.C. 691: "because of reduced supplies available, it is essential that wool yarns and fabrics possessing maximum durability and utility be imported into Canada; and in order to buy such wool yarns and fabrics to the best advantage and to facilitate their distribution in Canada."

To assure that 1943 wool production will be maintained and increased, a bonus of 4% per pound will this year be paid on all individual clips carefully prepared for market at time of shearing. Payment of this premium is to be equally shared by Dominion and provincial governments.

Postwar prospects for the Canadian wool textile industry depend to a large extent on ability of the industry to retain its greatly increased domestic market, developed by the war. Europe has, temporarily at least, lost its market for manufactured wool textiles and Canada may find it more profitable to manufacture than to import the bulk of her woollens and worsteds.

Close to 700,000 men and women now in uniform represent a potential civilian clothing market when the war ends. Added to this is the entire civilian population of Canada whose wool consumption during war years has been sharply reduced and whose replacement needs will be acute.

Here will be opportunity for the woollen goods industry, as well as for allied textile trades. In supplying these domestic markets they will provide employment for thousands of men and women following demobilization and shutting down of war industries and thus should play a large part in the reconstruction period in postwar Canada.

Dominion Woollens

Dominion Woollens & Worsteds in 1942 had the most active year in its history. Company facilities were taxed to capacity to meet urgent government demands for war production. Dollar value of unfilled orders is currently about two thirds for the armed services and one third for civilian needs. According to H. Barrett, president, this ratio is likely to continue until the end of this year.

At present the company is understaffed and production appears to be declining. The firm's plants are at Hespeler, Peterborough and Orillia, Ont. Output consists of woollen and worsted cloth and yarns.

Earnings in 1942 were $163,110, as compared with $219,344 in the previous year.

Can. Co-op. Wool

Operations of Canadian Cooperative Wool Growers Ltd., a marketing organization which serves wool producers in Canada, were at a high pitch in 1942. Total volume approached 6 million lb. Some 22,000 individual clips were handled, of which 16,000 came from eastern shippers and 6,223 from the West.

The 1942 clip was found to be in generally good condition. Prices were set at the beginning of the season that the Canadian Government, through a Crown company, would be the ultimate buyer of all wool.

Canadian Co-op. has erected a new one-story plant at Weston, Ont. In 1942 all warehouses worked at capacity, and an extra six were open during the summer grading season only.

Provincial wool growers' associations and sheep breeders' groups across Canada hold 1,920 shares in the company.

Paton Mfg.

Though no report is made public, it is understood both production and profits of Paton Mfg. Co. Ltd. last year continued at a high level. This is reflected in the dividend record of the company. After a lapse of several years dividend payments were resumed in 1938 at the rate of 50 cents a share. By 1941 distribution had been increased to $2 and last year to $3.50 a share. For the first half of the current year the company paid $2 a share.

This firm is one of the oldest woollen organizations in Canada, having been incorporated the year after Confederation. In 1933 control passed to interests closely associated with the Dominion Textile Co.

Stanfield's

Operations at the Truro plant of Stanfield's Ltd., wool and rayon underwear manufacturers, continue at a high rate of capacity. The company is engaged on war contracts for the Army and Air Force, but the larger part of its output is for civilian consumption.

Export trade has been restricted. Normally the company does a fair volume of business with South Africa. While the demand exists, it is difficult to secure shipping space and until there is an improvement in this regard, overseas trade naturally will be limited.

Decline in export business has been more than offset by the gain in domestic sales. Owing to its strong position in the trade, the company has a long record of remarkably steady earnings. They have varied but little for some years, ranging around $13 a share. Financially the company occupies an exceptionally strong position; at the beginning of this year cash and call loans exceeded the total of current liabilities and funded debt.

ONYX is on guard over our valuable and necessary war implements of today. We can't say just how—we'll tell you more about that when the war is over. But you can be sure of this. We are cooperating with all agencies with our products to speed the wings of victory for the United Nations and to defeat the enemy.

Manufacturing Chemists for the Textile, Leather and Paper Industries.

ONYX OIL & CHEMICAL CO., LIMITED

HEAD OFFICE: DOMINION SQUARE BUILDING, MONTREAL
PLANT: ST. JOHNS, QUE. TORONTO OFFICE: ROYAL BANK BLDG.

ATW

Dominion Fabrics
LIMITED

Manufacturers of

TOWELS
FACE CLOTHS
BED SPREADS
TAPESTRIES

★

DUNNVILLE - ONTARIO - WELLAND

INTEGRATED

From raw material to finished product, each Division of York Knitting Mills Limited plays its special part. One executive staff co-ordinates all activities to conform to the war-time necessity of producing maximum volume efficiently with a very minimum of manpower consumed.

MAKERS OF . . . .

UNDERWEAR
All types of knitted underwear and lingerie for men, women, and children.

HOSIERY
Men's socks, Women's full fashioned and circular stockings, Children's hose.

OUTERWEAR
Sweaters, pullovers, polo shirts, etc. for men, women and children.

BATHING SUITS
For men, women and children.

YARNS
Cotton, woollen, mixtures, worsteds.

OPERATING DIVISIONS

WOODSTOCK:
Harvey Woods Underwear
Hosiers

TORONTO:
York Spinning
Toronto Hosiery
Harvey Woods Hosiery
Woods Underwear

HAMILTON:
Zimmerknit

BRAND NAMES

"HARVEY-WOODS"
"QUICKEES"
"P.D.Q.'S"
"TWIN-LINE"
"HATCHWAY"
"ZIMMERKNIT"
"FINE HOSIERY"
"YORKNIT"
"LANCASTER"
"SENSATION"

YORK KNITTING MILLS LIMITED

Head Office 70 Crawford St., Toronto

An Integral Part of Canada's Textile Industry

For nearly sixty years, Canadian Cottons Limited has played an integral part in Canada's textile industry. It operates seven mills — three in New Brunswick and four in Ontario.

Employing 3,500 workers its annual payroll, its purchases of supplies and equipment, its contribution in freight and in taxes, are an important factor in community and national stability.

Evidencing the company's facilities to serve, with the outbreak of war it was able to meet swift demands for products made difficult to obtain from foreign sources.

Today's civilian requirements have been well maintained and are being met as fully as possible after first call from government orders for war necessities.

Experienced company personnel and the most modern and complete mill equipment combine to produce products of highest quality and economy.

Manufacturers of

Awning Fabrics
Bedford Cords and Whipcords
Blankets (Cotton, Cotton & Wool)
Cotton Tweeds and Pantings
Cottonades
Covert Cloths
Denims
Doeskin and Suede
Flannelettes, Flannels
Napped Interlinings
Napped Sheetings & Silence Cloths
Dress Fabrics
Rayon & Spun Rayon Dress Fabrics
Rayon Linings
Rayon Taffetas & Satins
Shirtings, Chambrays and Suitings
Tickings
Yarns of all Descriptions

BRANDED LINES
(Registered)

"ACA" Ticking
"Kingcot" Denim
"Kingcot" Blankets (flannelette)
"Kingswade" Fabrics
"Nepah'win" Blankets (Indian)
"Woolcot" Blankets (Part Wool)

CANADIAN COTTONS LIMITED

Completely Equipped Mills at Marysville, Milltown, Saint John, New Brunswick;
Cornwall (Three Mills) and Hamilton, Ontario

HEAD OFFICE: 760 Victoria Square, MONTREAL, QUE.
SALES OFFICES: Montreal, Toronto, Hamilton, Winnipeg, Vancouver

STATISTICAL RECORD of CANADA'S TEXTILE INDUSTRY

Company	Year	Net Bonded Debt $	Gross Income $	Depreciation $	Taxes Paid $	Net Profits $	Times Bond Interest Covered $	Earned Per Share Pfd. $	Earned Per Share Com. $	Com. Div. $	Year's Surplus $	Net Working Capital $	Price Range Common 1942-43 High	Low	Last	Directors
Acme Glove Works	1942	Nil	266,772	38,677	*114,184	78,095	....	11.35	1.39	Nil	33,381	985,437	7¾	3	7¾	Alphonse Lepine, pres.; F. G. Donaldson, vice-pres.; H. D. Dwyer, E. Lavoie, A. E. Clark, G. B. Foster, Montreal; W. Burke, Joliette, Que.
*Income tax. †Deficit.	1941	Nil	195,376	40,011	*53,888	65,840	....	9.57	0.88	Nil	21,126	908,771	3	1	..	
	1940	Nil	146,454	25,593	*30,135	55,966	....	8.14	0.47	Nil	11,252	850,481	6	3	..	
	1939	Nil	60,063	21,596	*723	3,405	....	0.49	†1.72	Nil	†18,953	818,627	6	2	..	
Belding-Corticelli	1942	Nil	941,190	185,582	*514,000	158,955	....	18.37	13.13	6.00	53,414	1,464,001	86	80	86	W. P. MacDougall, pres. & man. dir.; J. M. Mackie, vice-pres.; R. C. Vaughan, P. F. Sise, A. S. Bruneau, J. D. Johnson, C. E. Gravel, Montreal.
*Income tax.	1941	Nil	850,149	186,860	*425,000	154,167	....	17.82	12.49	4.00	63,616	1,294,767	80	80	..	
	1940	Nil	519,185	171,218	*120,000	135,050	....	15.61	9.94	4.00	44,499	1,132,644	97½	80	..	
	1939	Nil	370,623	160,490	*44,000	112,712	....	13.03	6.96	4.00	22,161	1,030,163	95	90	..	
Biltmore Hats	1942	115,000	194,485	16,508	*65,000	81,390	....	....	1.02	0.60	33,390	468,969	9	5	8	J. A. Fraser, pres., Toronto; W. J. Tiller, vice-pres. and gen. mgr.; W. F. Franke, vice-pres. and sec.-treas.; R. P. Ramsey, Guelph; A. G. A. Spence, Toronto.
*Income tax.	1941	115,000	178,840	14,298	*60,000	71,745	....	....	0.90	0.60	23,745	446,988	8¾	7	..	
	1940	145,000	161,641	13,441	*38,320	77,411	....	....	0.97	0.85	9,411	416,740	12	8	..	
	1939	160,000	169,811	13,926	*21,178	99,585	....	....	1.24	0.62½	49,585	428,689	11¼	6	..	
Brantford Cordage	1941	Nil	521,054	13,245	187,191	204,868	....	5.75	1.46	Nil	158,419	2,184,133	..	..	..	W. M. Messecar, pres. & gen. mgr.; W. C. Wells, vice-pres. & sec.-treas., Brantford; H. R. Tudhope, Glyn Osler, Toronto; P. R. Logan, C. Johnson, A. M. James, Brantford.
†Deficit.	1941	Nil	594,988	10,547	234,460	213,136	....	5.94	1.55	Nil	165,659	1,967,272	..	..	..	
	1940	Nil	446,952	10,542	151,491	227,343	....	6.16	1.70	Nil	178,171	1,733,403	..	..	..	
	1939	Nil	75,677	10,537	......	8,890	....	0.23	†1.04	Nil	†41,046	1,576,789	..	..	..	
Bruck Silk Mills	1942	385,300	1,234,835	232,875	*288,818	186,489	19.61	....	†1.49	0.30	148,989	1,055,581	9	4½	8	I. I. Bruck, pres. & treas., Montreal; L. S. Lee, vice-pres., Cowansville, P.Q.; H. Stern, sec.; M. Darling, H. D. Dwyer, A. M. Flanders, H. E. Herschorn, Montreal; Benjamin Leibel, New York; A. L. Phillips, J. S. Fry.
*Income tax. †Before inventory reserve of $318,604 in 1942; $220,229 in 1941.	1941	392,900	1,064,214	226,378	*164,658	267,568	17.59	....	†2.14	...	267,568	896,169	6½	4½	..	
	1940	408,500	511,710	97,610	*35,156	58,309	4.51	....	0.47	...	58,309	659,475	6½	4½	..	
	1939	410,500	382,171	47,695	*7,453	29,850	2.39	....	0.24	...	29,850	666,061	6¼	2	..	
Canadian Celanese	1942	Nil	5,165,409	508,249	*2,710,000	1,747,320	....	16.25	3.19	2.00	289,111	5,602,783	37	21¾	37	G. H. Whigham, chm., London, Eng.; Dr. Camille Dreyfus, pres.; W. McC. Cameron, vice-pres., New York; C. W. Palmer, vice-pres.; P. A. Thomson, Montreal; R. H. Sperling, mgr., Drummondville, Que.; Brig. Gen. Sir Wm. Alexander, Dr. Henry Dreyfus, London, Eng.; A. Schwartz, New York.
*Income tax.	1941	Nil	4,536,395	484,639	*1,800,000	1,975,439	....	18.53	3.98	2.00	572,221	4,915,906	29	18¾	..	
	1940	Nil	2,869,820	434,933	*765,000	1,463,829	....	13.41	2.23	1.90	30,652	4,474,531	37⅝	20	..	
	1939	Nil	3,082,879	419,956	*445,000	1,998,995	....	18.77	4.07	2.85	384,429	5,085,607	30½	10⅛	..	
Caldwell Linen Mills	1942	Nil	†346,893	37,641	222,000	87,252	....	5.82	1.12	Nil*	44,752	366,115	5	4	5	H. H. Caldwell, pres. and gen. mgr.; D. R. McColl, vice-pres. and sales mgr.; C. V. Ellis, sec.-treas., Iroquois, Ont.; S. G. Dixon, Montreal; W. P. Scott, Toronto.
†Net earnings. *Initial of 25 cents paid Feb. 1, 1943.	1941	Nil	†347,592	26,969	213,300	107,323	....	7.15	1.62	Nil	73,323	272,454	..	..	..	
	1940	Nil	†128,967	18,707	35,300	74,960	....	5.00	0.81	Nil	62,960	......	..	..	..	
	1939	Nil	†191,322	12,508	35,698	143,116	....	9.54	2.51	Nil	131,116	......	..	..	..	
Canadian Converters	1943*	Nil	293,494	16,437	186,620	52,912	....	....	3.05	2.00	18,242	751,406	33	15	17½	J. M. Mackie, pres.; T. R. Rennie, vice-pres. & gen. mgr.; T. M. Barrington, sec.-treas.; J. N. Laing, R. C. McMichael, Robert Cherrie, Montreal; W. R. Kerr, Toronto.
*Years ended Apr. 30.	1942*	Nil	236,371	16,097	103,211	69,508	....	....	4.01	2.00	34,838	699,245	19	15	..	
	1941*	Nil	123,160	14,925	35,171	56,847	....	....	3.28	2.00	22,177	631,341	19½	14	..	
	1940*	Nil	107,888	12,568	18,500	62,234	....	....	3.59	...	62,234	613,810	18	4	..	
Canadian Cottons	1943*	Nil	3,017,702	302,821	1,960,547	546,023	....	16.35	12.72	4.00+2.00	182,657	7,420,439	108¼	98	103½	E. C. Fox, chm., Toronto; R. G. Toimie, pres. & man. dir.; W. J. Morrice, vice-pres.; W. V. Boyd, gen. mgr.; Sir H. Montagu Allan, A. S. Bruneau, J. I. Roy, Montreal.
*Years Ended Mar. 31.	1942*	Nil	3,409,024	606,414	2,100,000	593,656	....	17.77	14.30	4.00+2.00	225,476	7,070,014	106¾	90	..	
	1941*	Nil	2,470,928	579,288	1,226,703	551,811	....	15.07	12.23	4.00+2.00	169,191	6,865,289	120	93	..	
	1940*	Nil	1,769,713	800,000	268,652	585,332	....	16.00	13.48	4.00+2.00	203,212	6,484,683	105	63	..	
Celtic Knitting	1942	Nil	34,861	15,371	*6,249	9,066	....	....	0.34	Nil	9,066	106,963	1¾	1½	1⅝	E. P. Gordon, pres.; A. C. Howatson, vice-pres. & man. dir.; E. D. Gordon, sec.-treas.; W. F. Graw, W. K. Nelles, Montreal.
*Income tax.	1941	Nil	34,906	22,528	*1,347	6,840	....	....	0.25	Nil	6,840	96,967	2	1½	..	
	1940	Nil	40,699	21,294	*3,608	12,361	....	....	0.46	Nil	12,361	84,772	2¼	1½	..	
	1939	Nil	28,053	19,401	*276	6,126	....	....	0.23	Nil	6,126	66,904	3	1⅝	..	
Cosmos Imperial Mills	1942	304,000	*628,427	202,664	173,419	207,039	....	....	2.07	1.20+.15	72,039	1,479,888	25	18	24	W. S. Burrill, pres. & gen. mgr.; A. V. Young, vice-pres.; W. T. Mayo, W. B. Powell, Hamilton; J. E. Rousmaniere, New York; G. H. Allen, Yarmouth, N.S.; H. R. Tudhope, Toronto.
*After debenture interest.	1941	342,000	*861,853	187,983	351,600	230,233	....	....	2.30	1.20+.15	95,233	1,344,350	25	20	..	
	1940	380,000	*789,926	164,217	340,500	210,345	....	....	1.94	1.20	74,253	1,103,197	31½	19⅞	..	
	1939	......	419,529	98,672	53,024	214,841	....	....	1.92	1.05	84,000	1,106,935	28	16⅞	..	
Dominion Textile	1943*	4,200,000	11,790,504	2,200,000	†7,700,000	1,636,885	26.44	‡84.35	‡5.56	5.00	151,043	13,806,741	82½	66	77⅞	G. Blair Gordon, pres. and man. dir.; S. J. Milligan, gen. sales mgr.; A. F. Baillie, J. P. Black, Hon. C. A. Dunning, W. A. Eden, Montreal; Sir Frederick Williams-Taylor, Nassau, B.W.I.
*Years ended Mar. 31. †Income tax. ‡Before contingency reserve $120,981.	1942*	4,300,000	11,907,239	2,084,431	†8,000,000	1,546,624	66.64	79.70	5.23	5.00	60,782	12,463,523	83	69	..	
	1941*	4,300,000	8,496,710	2,000,000	†4,192,456	2,034,146	43.05	104.82	7.03	5.00	548,304	10,328,218	90½	70	..	
	1940*	4,400,000	5,091,512	1,748,704	†831,899	2,214,070	19.17	114.09	7.70	5.00	728,228	9,509,047	90¼	55	..	
Dominion Woollens & Worsteds	1942	946,900	1,491,462	250,000	*952,000	163,110	20.26	2.57	0.58	Nil	125,004	1,318,862	8	⅝	8	J. W. Hobbs, chm. of board; Henry Barrett, pres. & man. dir.; J. A. Gairdner, vice-pres., Toronto; G. D. Perry, Montreal; C. M. Heddle, Oakville, Ont.; F. C. Cockburn, sec.-treas.; H. B. Bonner, Hespeler.
*Income tax.	1941	986,400	747,839	196,500	*215,000	219,344	8.22	3.45	0.96	Nil	181,238	1,112,628	1¾	½	..	
	1940	1,023,500	901,321	242,591	*315,000	229,798	9.72	3.62	1.03	Nil	191,692	929,823	3⅝	½	..	
	1939	1,058,500	433,084	160,000	*40,000	113,935	3.42	1.79	0.25	Nil	113,925	648,327	1⅞	1¾	..	
Guelph Carpet & Worsted Spinning Mills	1942	483,000	510,249	71,025	268,000	105,490	....	....	3.02	1.50	52,990	830,714	..	..	..	H. Quarmby, pres., Guelph; C. G. Cockshutt, Brantford; J. S. Dickson, R. R. Corson, Toronto.
	1941	500,000	307,597	87,014	152,000	68,583	....	....	1.55	1.50	1,638	772,073	..	..	..	
	1940	......	274,718	32,968	155,000	86,750	....	17.35	1.55	1.00	19,250	751,598	..	..	..	
	1939	......	171,140	44,084	23,000	104,056	....	20.81	2.04	1.00	36,556	736,625	..	..	..	
Hamilton Cotton	1942	915,000	576,712	248,836	95,000	143,308	7.10	8.13	5.40	0.40	63,955	1,361,138	..	..	..	A. V. Young, pres. & gen. mgr.; Maj.-Gen. J. V. Young vice-pres. & treas.; W. S. Burrill, M. B. Holton, Fred Allen, Hamilton; Dunlop Stewart, H. R. Tudhope, Toronto.
	1941	977,000	801,434	214,457	359,500	135,751	13.01	7.50	4.96	...	63,176	1,142,380	..	..	..	
	1940	1,037,000	807,218	247,458	329,500	137,948	12.08	7.54	5.05	...	64,585	996,171	..	..	..	
	1939	1,095,000	328,432	111,314	26,450	100,145	3.86	5.42	3.16	...	63,175	821,269	..	..	..	
Harding Carpets	1942	Nil	*230,190	22,981	98,000	86,864	....	....	0.50	.20+.10	34,504	351,504	4¼	2¼	4⅛	J. S. Dickson, pres.; E. A. Mott, vice-pres.; C. V. Banks, gen. mgr.; C. G. Cockshutt, Brantford; H. J. McLaughlin, Toronto; Frank Harding, St. Thomas; Major C. M. Harding.* *On active service with the Canadian Army.
*After all expenses.	1941	Nil	*314,647	24,214	185,000	94,099	....	....	0.54	.20+.10	41,858	238,555	3⅞	2½	..	
	1940	Nil	*279,535	48,524	97,000	56,345	....	....	0.32	.20+.10	4,289	481,041	4⅜	2¾	..	
	1939	Nil	*185,627	57,950	23,000	104,677	....	....	0.61	0.20	70,174	468,158	4⅜	2½	..	
Mercury Mills	1942	861,000	567,990	169,560	177,968	56,061	8.15	....	0.70	Nil	56,061	1,098,988	8¼	2	8	R. H. Hommel, pres. & gen. mgr., Toronto; W. H. Cooper, H. G. Smith, Hamilton; J. H. Gundy, A. D. Cobban, Dunlop Stewart, R. W. S. Johnston, Toronto; G. A. Dobbie, Galt, F. T. Webb, Montreal.
	1941	891,000	452,203	165,547	100,000	65,624	5.45	....	0.82	Nil	65,624	890,695	7½	2½	..	
	1940	921,000	419,144	157,313	104,000	61,429	4.95	....	0.77	Nil	61,429	761,792	12½	5	..	
	1939	801,000	287,848	86,317	27,956	35,455	2.62	....	0.44	Nil	35,455	621,902	..	..	..	
Monarch Knitting	1942	Nil	327,535	50,000	151,054	126,481	....	16.92	5.83	Nil	73,981	1,008,768	3	2½	3	J. A. Burns, pres.; F. R. Lalor, Dunnville, Ont.; F. J. Coombs, vice-pres.; F. C. Deacon, G. C. Biddle, Toronto.
*Deficit.	1941	Nil	182,283	35,000	75,000	72,283	....	9.64	1.55	Nil	19,783	899,270	2	1½	..	
	1940	Nil	188,875	35,000	107,000	46,875	....	6.25	*0.44	Nil	*5,625	846,081	6	2	..	
	1939	Nil	166,406	35,000	30,158	93,066	....	12.41	3.18	Nil	93,066	833,141	3½	1	..	
Montreal Cottons	1942	344,067	2,679,335	500,000	*1,627,000	437,339	123.45	14.58	7.58	4.00	107,339	3,237,759	72	65	72	G. B. Gordon, pres.; William C. Finley, vice-pres.; W. G. E. Aird, man. dir.; J. P. Black, Hon. C. A. Dunning, Charles Laurendeau, E. A. Robertson, Montreal.
*Income tax.	1941	346,988	2,469,106	500,000	*1,290,000	514,743	108.35	17.16	10.16	4.00	184,743	2,806,445	65	55	..	
	1940	368,888	1,340,582	400,000	*533,000	344,383	48.36	11.48	4.48	4.00	14,383	2,384,580	81	85	..	
	1939	377,648	1,247,700	400,000	*164,000	522,473	42.52	17.42	10.42	2.00	252,473	2,264,701	60	33	..	
Ontario Silknit	1942	Nil	618,705	143,595	264,565	120,947	....	12.20	0.90	Nil	68,613	1,123,777	1½	1	1½	M. H. Epstein, pres.; W. B. Milner, vice-pres.; H. B. Epstein, C. H. Burgess, E. G. McMillan, Toronto; George Epstein, Sydney, Australia.
	1941	Nil	521,319	135,475	158,335	129,269	....	11.95	0.89	Nil	90,703	1,003,840	3	3	..	
	1940	Nil	478,968	148,321	114,339	113,620	....	10.57	0.72	Nil	91,287	876,816	5½	2	..	
	1939	Nil	338,290	110,446	34,625	73,162	....	5.77	Nil	Nil	73,162	799,293	..	..	..	
Penmans	1942	1,568,000	1,548,170	225,000	805,000	374,841	14.67	34.87	4.81	3.00	116,787	2,983,298	52	36	52	A. F. Baillie, pres.; H. W. Lundy, vice-pres. and gen. mgr.; C. B. Robinson, sec.-treas.; J. N. Laing, H. B. MacDougall, J. P. Black, G. W. Grier, G. B. Gordon, Montreal.
	1941	1,579,500	1,315,078	225,000	590,000	347,582	11.42	32.33	4.39	3.00	89,528	2,776,795	52	46	..	
	1940	1,674,500	1,205,073	200,000	500,000	357,328	10.20	33.24	4.54	3.00	99,274	2,627,679	72	46	..	
	1939	1,706,500	797,802	200,000	125,000	328,207	5.80	30.53	4.09	3.00	70,153	2,556,300	65	38	..	
Regent Knitting Mills	1942	375,000	781,394	127,618	†178,408	112,305	19.53	7.02	1.33	0.75	37,948	1,138,154	10	3	10	C. G. de Tonnancour, pres. & man. dir.; Jean Rolland, vice-pres.; J. V. Desaulniers, G. G. Ryan, J. E. Savard, H. J. Ross, de Gaspé Beaubien, Montreal; H. Holdroyd, Toronto.
*After providing inventory reserve of $110,000. †Income tax.	1941	400,000	603,359	142,259	†38,047	54,487	6.77	3.41	0.44	0.25	12,635	1,094,565	5	3	..	
	1940	450,000	*636,958	137,637	†63,349	115,542	11.49	7.22	1.38	0.25	73,690	982,040	6	3	..	
	1939	475,000	420,728	79,906	†10,324	43,597	4.19	2.72	0.28	...	43,597	841,308	7½	2	..	
Riverside Silk Mills	1942	Nil	71,592	......	......	71,592	....	(A) 2.38	(B) 0.58	2.00 (A)	1,592	530,936	25	17¾	25	E. M. McCormick, pres.; D. W. McCormick, vice-pres.; G. H. McCormick, sec.-treas.; C. A. McCormick, Galt, Ont.; F. J. Coombs, Toronto.
*After deprec. and income taxes. †Deficit.	1941	Nil	*74,282	......	......	74,282	....	2.48	0.71	2.00	14,282	513,565	22	15½	..	
	1940	Nil	*53,484	......	......	53,484	....	1.70	†0.33	2.00	†16,516	433,521	28	16½	..	
	1939	Nil	*80,742	......	......	80,742	....	2.69	1.04	2.00	10,742	401,109	28	22½	..	
Stanfields, Ltd.	1942	80,000	*128,444	......	......	128,444	....	....	12.84	5.00	78,444	1,575,492	..	..	..	F. T. Stanfield, pres.; C. E. Stanfield, vice-pres.; A. J. Campbell, sec.; H. T. Bethel, E. B. McDaniel, Halifax.
*After bad debts, deprec., taxes, etc.	1941	100,000	*129,006	......	......	129,006	....	....	12.90	5.00	79,006	1,518,588	..	..	..	
	1940	120,000	*137,201	......	......	137,201	....	....	13.72	2.50	112,201	1,452,575	..	..	..	
	1939	140,000	*129,650	......	......	129,650	....	....	12.97	5.00	79,650	1,359,305	..	..	..	
Supersilk Hosiery Mills	1942	Nil	159,185	......	60,000	69,185	....	15.53	0.45	Nil	44,825	226,527	3½	1½	3½	W. S. Thompson, pres.; J. D. Good, vice-pres.; A. S. Thompson, gen. mgr.; J. G. Thompson, sec.-treas.; R. W. Robertson, W. L. Barager, W. H. McPhillips, T. W. McFarland, Miss. M. O'Donnell, London, Ont.
	1941	Nil	186,935	......	70,000	66,934	....	13.74	0.42	Nil	42,344	549,655	..	..	..	
	1940	Nil	122,376	......	50,000	72,377	....	14.70	0.48	Nil	47,699	447,554	3½	2¾	..	
	1939	Nil	......	......		84,333	....	17.13	0.59	Nil	59,333	270,337	4¼	2	..	
Tip Top Tailors	1942	Nil	884,570	122,647	*376,000	172,606	....	17.54	0.86	0.45	49,221	1,787,640	9½	4	9½	David Dunkelman, pres. and gen. mgr.; Rose Dunkelman, vice-pres.; H. P. Mackechnie, B. Dunkelman, J. B. Dunkelman, R. A. Daly, Toronto; A. Miller, Hamilton.
*Income tax.	1941	Nil	565,024	123,879	*150,803	224,497	....	22.30	1.28	0.60	81,985	1,509,012	10	6	..	
	1940	Nil	1,006,819	179,384	*371,612	219,393	....	21.74	1.24	0.60	76,667	1,490,661	13¼	9½	..	
	1939	Nil	492,210	112,502	*68,519	253,004	....	24.99	1.51	0.60	109,615	1,407,614	15	8½	..	
Tooke Bros.	1942	Nil	248,761	28,166	*120,810	53,695	....	5.45	d1.75	Nil	53,695	422,079	1¾	1	1½	W. M. Weir, chm.; H. H. Woodward, pres. and man. dir.; W. G. Hanson; G. A. Blundell, sec.-treas.; D. W. Partridge, C. W. MacLean, G. H. Imrie, Montreal.
d—Deficit. *Income tax.	1941	110,300	142,570	27,433	*29,772	43,403	9.75	4.41	d2.93	Nil	43,404	450,588	1½	1	..	
	1940	135,400	102,759	26,137	*15,000	26,068	5.28	2.65	d4.92	Nil	26,068	417,648	3	½	..	
	1939	150,400	42,971	10,000	......	91	1.12	0.01	d7.89	Nil	91	376,612	3½	½	..	
Wabasso Cotton	1942‡	1,875,000	1,681,528	492,685	738,174	320,208	13.44	....	4.58	4.00	40,596	2,389,453	58	35	53	C. R. Whitehead, pres.; W. J. Whitehead, man. dir., Three Rivers; Hugh MacKay, Rothesay, N.B.; Norman J. Dawes, vice-pres.; W. Taylor-Bailey, Montreal; Hon. Lucien Moraud, Quebec, P.Q.; William Harty, Kingston.
Years ended: ‡May 1.; *May 2; †Apr. 27.	1942*	2,050,000	2,985,814	549,243	1,535,698	749,988	25.84	....	10.73	2.50+.50	540,279	2,341,372	39½	23½	..	
	1941*	2,050,000	2,258,212	474,952	1,067,822	568,216	17.26	....	8.13	2.00	428,410	1,869,947	37	22	..	
	1940†	2,225,000	1,737,370	490,116	438,346	576,862	11.46	....	8.25	1.38	480,396	1,906,356	33	12	..	
Woods Manufacturing	1942	450,000	1,051,430	223,502	*550,000	160,351	38.71	10.49	3.12	Nil	160,351	1,906,681	..	—	..	W. A. Eden, pres.; A. M. Irwin, vice-pres.; R. M. Stott, sec.-treas. and gen. mgr. bag div.; R. W. Steele, Harold Crabtree, F. R. Daniels, Montreal; G. S. Browne, Westmount, Que.; S. E. Woods, Ottawa; Glyn Osler, Toronto.
*Income tax. d—Deficit.	1941	495,000	837,668	221,683	*231,000	114,883	26.50	7.52	0.46	Nil	114,883	1,530,886	..	..	..	
	1940	540,000	550,185	119,096	*140,000	55,599	17.33	3.64	d3.00	Nil	55,599	1,171,931	..	..	..	
	1939	580,000	263,610	73,425	*40,000	99,020	6.79	6.48	d0.47	Nil	99,020	936,582	..	..	..	
York Knitting Mills	1942	750,000	......				Figures not available						8	5¼	8	J. D. Woods, pres. and man. dir.; W. B. Woods, vice-pres.; W. A. Clarke, sec.; H. H. Lawson, H. M. Reedy, W. P. Walker, Toronto; K. W. Harvey, Woodstock, Ont.
	1941	800,000	477,259	114,303	142,000	134,935	10.01	89.96	0.45	0.40	11,830	1,366,302	5½	4	..	
	1940	850,000	824,334	110,096	130,000	171,467	10.97	114.31	0.61	0.30	71,263	1,302,364	11	5½	..	
	1939	900,000	470,342	94,807	76,000	260,014	9.50	173.34	1.00	Nil	228,514	1,273,745	8	4	..	

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Should Plan in Long Range Terms, Says Canadian Authority

Dr. MacKay is Professor of Government at Dalhousie University, Halifax, and a prominent student of international affairs. He has travelled extensively by air in Canada and is the author of several books dealing with Canada's foreign policy. He was a member of the Rowell-Sirois Commission which just before the war conducted an extensive inquiry into Dominion-Provincial relations.

By R. A. MacKay

Canada will undoubtedly emerge from this war as the world's fourth largest air power. But we must not rest on the comfortable assumption that this will assure us a comparable role in the world's postwar air commerce.

Although the Dominion has the great advantage of location between the world's greatest industrial nations and the two most populus continents, and although we will have abundance of trained personnel and physical equipment the fact remains that other nations, notably Britain and United States, are in a stronger position to secure control of international air commerce.

What we greatly need is a vigorous and realistic air policy or we shall be left behind in the postwar air world.

It is probable that air services will be deliberately used in that era by states to cultivate new markets, or preserve old markets, just as merchant marine services were used in the past century to develop trade. Any nation that aspires to future world trade without its own external air services may find itself severely handicapped in the search for markets.

Supplant Other Transport

It would be a mistake to underestimate the extent to which air transport is likely to supplant other forms of transportation in international trade. Immense technical advances in aerial transport are taking place during the war, and the load capacity of aircraft has been enormously increased. In war, however, costs become of very secondary consideration to military success. Hence it will also be a mistake to overestimate the advantages of postwar air transport in comparison with other means of carrying goods, notably by rail and water.

Bulky products such as wheat, cotton, wool, tobacco and most of the other great staples entering into world commerce, will no doubt continue to be carried by water and rail.

On the other hand aerial transport is likely to attract commodities of relatively small bulk, light weight and high cost. Highly processed manufactures and the products of research laboratories may dominate aerial commerce, particularly in the early stages after the war.

Speaking very generally Canadian manufacturing industries are more likely to benefit directly than Canadian primary industries from the development of air transport.

Fuel Is Vital

Fuel considerations are most important since the fuel load of an airplane reduces the space and lift available for commercial cargo. In contrast, in carriage by sea, fuel can be used to take the place of ballast. Hence in aerial transport, routes with relatively short hops between points which can be supplied with fuel by water or pipe line have great advantages over routes with long hops and routes on which supplies for intermediate landing fields have to be carried by rail or road or by air.

For this reason we may not see any substantial advances in the immediate future in transarctic routes unless these are located along the sources close to fuel supply.

Legal Obstacles

The greatest obstacles preventing us from participating in international aviation are, however, not economic or technical but legal. Under international law at present each state has complete and exclusive jurisdiction over the air upon its territory. No foreigner has the right of innocent passage as he has through the marginal seas along a state's coasts, nor the right of landing and take off from a state's airports as he has of entry and exit from its seaports.

Only over the high seas is there "freedom of the air" for all comers, and of necessity such freedom is limited to those states with seacoasts or convenient island possessions on the high seas. Sovereignty, if pushed to its logical conclusions by all states, would prevent all international aerial navigation.

In practice compromises between sovereignty and convenience were being worked out before the war.

> **"Canada has a unique bargaining position to secure a share for herself in the air commerce of tomorrow. But, her policy should be conceived in long range terms to permit freedom to use not only those routes of advantage to her in the present or in the immediate future. A system of free world skyways reaching into every continent and crossing the main ocean barriers would be to her long run advantage."**

Transit or landing privileges were frequently granted to foreign aircraft on the basis of reciprocity, but states with nothing to trade found themselves severely handicapped in acquiring such privileges. Moreover, small states like Portugal, whose territory was essential for landing purposes, or like Holland or Belgium for overhead transport of through lines, were able to demand an exhorbitant price for the privilege, and they usually did. While commercial aviation was making progress, the legal situation was undoubtedly a serious handicap.

Complete Solution Unlikely

It is, however, scarcely likely that freedom of the air in a universal sense comparable to freedom of the seas will be established as long as the sovereign state is the characteristic unit of international relations. Complete freedom for all comers to land or take off from any airport within the state would interfere with control over internal transport and most states are certain to regard complete freedom of the air above the state territory as prejudicial to national security. Large countries such as the United States, Russia and Canada which can develop extensive internal services are likely to stand on sovereignty in order to monopolize internal transport and to secure favorable arrangements for their own air lines in other countries.

Europe west of Russia was tending toward a system of recognized through air routes as well as reciprocal landing-and-take-off rights for civil aircraft as between European states. Traffic in South America before the war was shared between American, Dutch and German companies which had secured special privileges from various South American States. German rights now seem to have been completely extinguished in favor of Pan American which is rapidly acquiring monopoly control, directly and through national subsidiaries.

It may well be that different solutions will be reached for Europe and America. Transoceanic air travel is still a different problem, or rather a collection of problems since the situation in each ocean area differs from every other, and it is with these problems that Canada is primarily concerned.

The Pacific

Because of the enormous distances of the Pacific, air power seems destined to play a greater role than in any other ocean region. Strategic control of the air and control of commercial air routes may go hand in hand.

Except for the extreme north the Pacific is scarcely crossable by a single hop from mainland to mainland. Hence the importance of sovereignty over the myriad islands which dot the mid-ocean area and the far eastern side.

Hawaii exceeds all other mid-ocean landing points in importance. Hitherto all air traffic from the Americas to the Far East and to Australasia has been by way of Hawaii, except for the occasional "stunt" flight. The United States has thus been in a position to monopolize transpacific traffic for its own nationals by refusing landing privileges for foreign craft, as it has so far done on the ground of security. A service to the Philippines was established in 1935 by Pan-American via Midway, Wake, Guam, all under American sovereignty, and in 1940 to New Zealand from Hawaii via Canton Island (British) Fiji (British) and New Caledonia (French). Pan American had thus established monopoly control over both routes.

Most promising alternative route is via Alaska. Other alternatives are southern Mexico via Clipperton Island (French), the Marquesas (French), Samoa (New Zealand) and Chile or Peru via Easter Island (Chile) the Marquesas to New Zealand. But the possibilities of lucrative traffic are slighter and the hops longer than via the central or Hawaiian route.

The only satisfactory alternative to the route via Hawaii, from a technical and economic point of view, is thus the northern route through Alaska. It is the shortest route from mainland United States to Siberia, China, Japan, even the Philippines and Singapore. There need be no long hops over water, assuming agreement between the various states along the route.

With the development for defense purposes of a chain of fields across western Canada and in Alaska there will now be excellent land facilities as far as Behring Strait. Assuming agreement could be reached between Canada, United States, Russia and China, the construction problem in developing such a route should not be difficult. With the development of Canada's northern oil deposits, fuel supply by pipe line to inland fields should not be too difficult.

Postwar Territorial Changes

Even assuming decisive victory for the United Nations, peace is not likely to result in a mere restoration of the territorial status quo. For example, it is inconceivable that the United States will consent to continued Japanese control of the mandated islands east of the Philippines, or hand them over to any other power. Their defense is a function of sea and air power combined and only the United States is able to provide the necessary power in this region.

The security of Canada and of her sister dominions would be promoted by the strengthening of the American strategic position in the far Pacific. But it is a matter of concern to Canada and her sister dominions whether the acquisition of territory or bases by the United States should carry with it exclusive rights in civil aviation. If so it would rivet American monopoly over the central and southwestern routes.

Canada needs access to both routes; since Vancouver is only 300 miles further from Hawaii than San Francisco, this is technically possible. If the Alaska route is not developed, Canada will be shut out of participation in far eastern traffic unless access is secured to Hawaii and other American fields stretching across the Pacific to the Philippines.

Scramble For Rights

If monopoly privileges become the rule we may expect intense rivalry not merely for acquisition of aviation rights but for territory as well. A general settlement of the legal situation rather than reciprocal agreements between individual countries is much to be preferred.

Two broad alternatives may be suggested:

First ,a general agreement among countries in or on the Pacific providing for reciprocal rights in civil aviation for traffic between Pacific countries leaving to each to regulate traffic above its territory and landing and take-off to the extent deemed necessary for national security;

Or second, recognition by agreement among Pacific countries of transpacific routes (including the Alaskan route) as "free skyways" just as interoceanic canals are recognized as free waterways. This would leave to each territorial sovereign along the route to regulate (but not to prohibit) landing and take-off and passage over head.

From a technical point of view there is much to commend the second course, since it would permit of more effective regulation of traffic, concentration of supply and auxiliary services such as weather observation, and generally better service for the public concerned. But there are serious obstacles to either course, especially the unequal bargaining position of Pacific countries. And to either course the objection is certain to be raised in some quarters that it would endanger national security, and private interests which stand to gain from the establishment of national monopolies may be expected to exploit the apprehensions about security.

The Atlantic Region

In the Atlantic, which promises to be the most lucrative area of transoceanic air commerce, advantages lie with Britain and Canada rather than with the United States. While single-hop flights from mainland to mainland across the Atlantic are quite feasible, they are less economical because of the extra weight in fuel that must be carried.

There are three main commercial air crossings.

On none of these does the United States control the farthest out landing areas from the continent, since lease agreements for the bases acquired from Britain do not include commercial air rights. On the far side of the Atlantic Britain also has the advantage of sovereignty both on the northern route and on the southern route through possession of colonies on the Guinea Coast of Africa.

As pointed out above, the Newfoundland route has the advantage of a shorter hop from land to land than the middle, or Bermuda, route. It has also the advantage of being the more direct route between the most populous and most heavily industrialized areas of America and Europe. Assuming the commercial use of bases developed during the war it will have the advantage of at least three landing or take-off points on this side—Torbay and Gander in Newfoundland and Goose Bay in Labrador—thus permitting alternatives to counter weather conditions.

Canada's Best Policy

While Canada is in a position to drive a hard bargain for the privilege of landing or take-off or transit overhead, there is much more to be gained by the expansion of transportation facilities to and from many points in Europe as possible than by any monopoly or restrictive privileges.

There is thus a strong case for treating the Newfoundland route as another of the world's free skyways. This would entail linking together ports of entry and exit on both sides of the Atlantic into something like a single system with common sources of weather observation, common rules of the road and safety regulations and perhaps a common skyway patrol service. Entry or exit could be confined to a relatively few airports, eastern Canadian ports or Newfoundland ports on the west end, British and Irish ports on the east.

Mediterranean, Africa and East

Commercial developments in the Mediterranean region, Africa, and the Indian Ocean may seem only of remote interest to Canada. But the Mediterranean has been a great trading area as well as the main route to India and southern Asia, and with the return of peace in Europe it is certain to recover. Africa, one of the world's last frontiers, and the Near and Middle East appear to be on the threshold of a great expansion. Canada is potentially a great exporter of industrial products, including capital goods, and the opportunity of securing direct access by air to these regions, therefore, should not be overlooked.

Geographically the Canadian entrance to this whole region is via the Azores, by way either of Bermuda or of Newfoundland which provides much the shorter hop. But Canada would probably have nothing to offer Mediterranean countries or the colonial territories of North Africa to secure landing rights on the basis of reciprocity. Her best chances would appear to lie in the establishment of "freedom of the air" in its widest sense in the Mediterranean, African and near eastern regions.

Africa presents a special problem. Most of it consists of colonial territories, some of them under the mandate system, the essential principles of which are the protection and development of native peoples and administration as a trust for civilization. There will be other territories to dispose of at the end of the war, namely the late Italian colonies. General Smuts proposes that these and all colonies in Africa should be given the status of mandates both because of the value of the system for the protection of native peoples and the prevention of imperialistic rivalry over Africa.

If any such course is followed, rights of civil aviation should not remain with the mandatory power but must be considered the public right of all nations. There can be little doubt that Canada's interests would favor such a course.

Latin America

There remains the problem of access to Latin America. Hitherto our commercial relations with Latin American peoples have been relatively unimportant, but with the increasing industrialization of South America and the development of raw materials such as rubber and tin as substitute sources of supply for those of the Far East it is highly probable that our commercial interests with at least some parts of Latin America will increase.

But access to the Caribbean would not assure access to the more important South American countries, especially Brazil, the Argentine and Chile. South American traffic has hitherto followed fairly well defined routes. There would appear to be a strong case for declaring these routes free skyways, though so many countries are directly interested that agreement on this might be difficult.

If no general agreement on such routes is secured, Canada will probably find real difficulty in establishing air communication with the more important countries of Latin America since she would have little to offer Latin American countries by mere reciprocity arrangements.

Free Skyways and Peace

Complete "freedom of the air" is an impossible goal for the moment. On the other hand, perpetuation of the present legal situation which gives to every state exclusive control of the air above its territory is not only a barrier to the development of air commerce, but is certain to create rivalry for commercially located territory along the world's main air routes and to promote monopoly by those states fortunate enough to possess or to secure such territories.

A system of free skyways along the world's main air routes, present or prospective, would be an equitable compromise between sovereignty and the interests of all nations in the development of aerial communications. Provided the skyways reached into every continental area and across the world's great oceans, it would assure to all nations equality of opportunity in the world's commerce.

Canada has a unique bargaining position to secure a share for herself in the air commerce of tomorrow. But her policy should be conceived in long-range terms, not merely to permit freedom to use only those routes of advantage to her in the present or in the immediate future. A system of free world skyways reaching into every continent and crossing the main ocean barriers would be to her long run advantage. It would be no less to the interest of the world community.

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Position of Chartered Banks of Canada as of May 31, 1943, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere.▲	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	11,246,977	276,754,497	14,468,144	....	380,130,123	419,237,112	103,710,679	1,886,004	12,017,900	7,296,777	....	18,946,228
Nova Scotia	5,168,395	71,508,340	1,342,336	....	91,051,951	154,682,791	69,842,218	3,472,580	1,254,809	3,402,066	....	26,202,535
Toronto	1,543,694	43,357,751	2,176,171	....	65,324,658	97,381,658	1,624,457	145,115	813,352	636,604	....	2,168,045
Provinciale	1,415,453	7,916,108	298,983	....	16,389,055	49,298,645	27,112	....	....	17,341	....	71,818
Commerce	10,726,046	172,849,135	15,966,939	....	290,103,465	340,621,848	83,667,024	1,106,402	7,629,947	5,855,731	....	24,415,729
Royal	13,724,364	202,940,714	22,335,116	....	406,210,076	362,201,851	293,624,569	....	6,513,768	13,300,823	....	33,808,382
Dominion	2,149,606	35,384,575	1,056,547	....	64,153,740	86,164,487	9,653,547	920,715	672,176	1,260,852	....	5,533,820
Nationale	2,396,552	21,914,654	1,806,286	....	53,915,344	122,522,590	583,286	1,202,891	33,232	814,467	....	448,761
Imperial	2,320,270	50,385,325	20,854,684	....	79,956,474	94,550,752	281,232	1,344,025	931,481	1,592,182	....	2,361,455
Barclays (Canada)	599,795	4,362,862	3,398	....	4,404,150	5,628,050	4,629,074	49,690	3,153,016	2,007,949	....	834,026
Total	51,291,152	887,373,961	80,308,604	....	1,451,639,036	1,732,289,784	567,643,198	10,127,422	33,019,681	3[illegible],184,792	....	114,790,799

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors* and firms of which they are partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$
Montreal	2,466,443	557,867	39,000,000	36,000,000	1,323,718,756	50,000,000	36,000,000	6	287,905	116,935,154	11,707,027
Nova Scotia	309,641	305,401	24,000,000	12,000,000	464,543,067	15,000,000	12,000,000	10	1,864,939	33,685,000	5,238,071
Toronto	....	151,112	12,000,000	6,000,000	233,322,623	10,000,000	6,000,000	10	599,249	23,651,864	1,604,044
Provinciale	13,815	53,906	1,000,000	4,000,000	80,502,239	5,000,000	4,000,000	5	120,616	6,155,540	1,515,878
Commerce	....	45,219	20,000,000	30,000,000	1,002,987,491	50,000,000	30,000,000	6	1,049,567	96,332,477	11,131,792
Royal	1,469,099	567,966	20,000,000	35,000,000	1,411,696,732	50,000,000	35,000,000	6	805,874	106,699,890	14,485,094
Dominion	454,838	3,898	7,000,000	7,000,000	221,408,807	10,000,000	7,000,000	8	582,852	18,418,047	2,187,846
Nationale	42,242	109,310	5,000,000	7,000,000	217,789,620	10,000,000	7,000,000	6	135,668	20,935,538	2,415,492
Imperial	....	12,562	8,000,000	7,000,000	269,590,446	10,000,000	7,000,000	8	394,282	21,974,868	2,393,364
Barclays (Canada)	17,682	....	750,000	1,500,000	27,939,695	1,500,000	1,500,000	....	1,427	1,638,997	628,510
Total	4,773,760	1,807,241	136,750,000	145,500,000	5,253,499,476	211,500,000	145,500,000	....	5,842,379	446,427,375	53,307,118

(Columns from "Capital Authorized" onward: SUPPLEMENTARY INFORMATION)

▲Of this amount, $46,771,001 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,516,226	49,204	28,683,796	93,569,054	378,685	797,080	38,543,136	....	16,849,773	21,440,750	471,447,548	175,186,022	13,155,306
Nova Scotia	461,088	1,069,505	11,122,515	20,621,414	101,523	13,703,709	14,972,816	....	13,492,346	12,035,412	100,614,362	77,353,632	8,857,927
Toronto	345,916	....	5,997,009	18,139,583	42,425	92,125	9,705,005	....	1,135,909	3,932,684	74,876,759	41,496,437	1,729,203
Provinciale	343,621	....	3,075,939	2,180,851	47,875	37,490	3,415,362	2,256	18,570	1,198,815	19,455,070	17,137,756	10,153,244
Commerce	1,149,885	192,296	21,573,615	68,079,538	138,656	3,367,848	32,713,652	100	5,316,625	24,128,604	298,207,285	166,423,338	3,731,410
Royal	1,532,973	1,381,401	31,245,120	70,321,784	426,545	38,459,525	53,330,818	2,021	17,147,048	52,262,915	401,411,894	219,196,818	9,879,687
Dominion	312,145	169	3,791,407	13,389,150	65,880	130,253	7,444,302	....	1,926,945	5,041,134	64,831,658	34,295,024	1,032,528
Nationale	751,286	....	8,356,986	9,945,418	80,610	54,137	6,372,102	1,406,082	141,066	1,440,121	62,521,586	47,758,941	13,394,036
Imperial	414,730	....	7,943,572	15,185,459	70,595	136,217	12,793,466	685,355	599,822	5,460,622	83,803,287	43,682,629	5,206,647
Barclays (Can.)	12,323	....	161,689	1,700,057	1,260	3,079	237,599	108,223	1,663,578	6,448,477	4,019,292	7,382,006	1,000
Total	6,840,193	692,575	121,951,648	313,132,308	1,354,054	56,781,463	179,528,258	2,204,037	58,291,681	133,389,534	1,581,188,741	829,912,608	67,140,988

NAME OF BANK	Public sec. other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets.▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	65,230,048	20,593,761	3,679,880	36,971,401	267,264,676	9,344,377	1,491,697	23,387,045	54,324	166,533	453,992	13,900,000	905,058	1,765,755	1,325,771,366
Nova Scotia	4,677,127	9,385,314	3,165,006	2,251,605	116,943,949	17,597,375	130,708	2,831,128	327,556	....	77,583	5,568,698	345,917	2,443,005	466,353,766
Toronto	....	4,466,914	2,026,964	....	62,696,888	....	....	2,390,092	16,549	....	7,700	2,842,010	178,185	60,575	234,346,987
Provinciale	....	1,257,721	3,404,015	....	13,786,160	....	32,600	2,378,235	31,005	361,062	236,475	2,039,812	106,971	76,376	80,849,119
Commerce	38,464,307	8,354,898	7,789,326	16,342,536	240,030,517	15,633,373	1,225,902	7,118,149	883,796	1,851,337	760,283	13,623,058	800,000	4,783,974	1,007,109,138
Royal	62,221,471	26,425,406	6,155,439	29,398,236	254,439,070	65,947,755	2,282,816	15,808,876	1,196,374	1,383,912	785,601	13,391,014	1,110,000	4,003,017	1,414,955,930
Dominion	1,108,496	1,859,890	1,246,871	4,499,138	69,121,754	203,494	641,804	204,400	122,122	14,795	28,125	5,191,596	185,525	199,614	222,422,051
Nationale	575,492	4,000,261	4,104,891	....	43,219,882	....	541,738	6,091,738	131,848	1,311,890	703,611	4,610,300	178,537	325,871	218,467,201
Imperial	....	588,610	1,272,706	....	81,548,567	....	112,578	3,277,944	117,622	7,978	142,578	5,408,180	196,172	65,319	271,082,129
Barclays (Can.)	48,000	....	142,100	....	4,454,353	....	....	....	419	....	....	721,724	31,690	2,626	27,973,327
Total	172,324,941	76,932,775	32,987,198	89,462,916	1,153,505,824	108,726,374	6,459,843	63,487,607	2,881,615	5,097,507	3,204,948	67,296,401	4,038,055	13,726,132	5,269,331,314

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above statement:—Footnote to Canadian Bank of Commerce return.

▲Total assets include $114,790,799 letters of credit outstanding as shown in liabilities.

MacLeod Finds New Ore And Limits West Body

Four Potential Zones Indicated For Further Exploration — Production Trend Downward Due to Labor Shortage

From Our Own Correspondent

GERALDTON.—While production is now somewhat below peak levels of last year, MacLeod-Cockshutt Gold Mines is carrying on as much exploration as a short labor supply will allow and recent diamond drilling has given interesting new indications of ore in the No. 1 shaft area at the 5th and 6th horizons.

In the west zone, lateral advance on the 5th level at 800 ft. depth has failed to reveal the extension to that horizon of the important "west" ore body. This occurrence has now been delimited as a large lenticular structure apexing below the 2nd level and having its major dimensions on the 3rd and 4th levels with the structure fading out below that horizon.

West ore bodies are estimated to contain 439,660 tons of 0.245 oz. grade.

Big Tonnage North Zone

Over 250,000 tons of ore are contained in the blocks between the 7th and 8th levels of the north ore body. The No. 703 stope at the 7th level in this ore body shows a length of 330 ft. with widths up to 100 ft. Ore bodies in this area run better than 1,800 tons of ore to the vertical foot.

Diamond drill indications of ore at the 5th level, No. 1 shaft, appear to tie in with those at the level below but further work will be necessary to determine their true importance. On the 5th level, a hole drilled 30 degrees east of north at footage 142 ft. intersected 2.6 ft. of core grading 1.381 oz. uncut or 0.954 oz. cut; at 517 ft., 1.8 ft. of 0.385 oz. grade and at 703 ft. intersected 5.9 ft. of 0.449 oz. uncut grade or 0.302 oz. cut grade.

Three Holes at 7th Level

On the 7th level below, three holes have been drilled due north, 23 degrees west and 45 degrees west. The west holes cut 13.8 ft. of 0.238 oz. grade and 13.5 ft. of 0.302 oz. grade, tying in with the intersection of 0.954 oz. on the 5th level.

Farther to the north in diorite structure, D. D. Hole No. 6-119 (due north) at 485 ft., intersected 2.9 ft. of 0.655 oz. uncut or 0.466 oz. cut grade and at 524 ft., 4.6 ft. of 1.508 oz. uncut and 0.50 oz. cut grade. D. D. Hole No. 6-126 (23 degrees west) at 505 ft. intersected 3.2 ft. of 0.844 oz. cut grade with visible gold in the core. The intersections are 150 ft. apart on the east-west strike. The drill core logs disclose interesting geological structure of banded iron formation with a wide belt of diorite to the north.

Consider Crosscutting

Consideration will be given to crosscutting north on the 6th level with subsequent drifting east-west in the diorite zone. The latter drift would provide drilling bases for additional exploration to the north.

There is reason for thinking that it might be advisable to deepen No. 1 shaft four levels or 600 ft. from the present 7th level at the 1,100-ft. horizon to give assurance of maintenance of production. This would enable the management to open up quickly the depth continuity of the north ore bodies. On the rake west, the shaft is strategically located, with the ore bodies indicated as occurring to the east on the 8th and 9th levels and centrally and to the west on the 10th and 11th levels. Exploration could also be proceeded with on these new levels along the south limb for recurrences of the west type of ore structures.

Four Potential Zones

Altogether the mine has at least four zones for further exploration:

1. To depth and to the west along the main synclinal structure in which the north ore bodies occur.
2. To the west, on the presently developed horizons, for recurrence of overlying ore structures in the banded iron formation.
3. To the north of the present workings, for exploration of the north iron formation and of the recent drilling intersections.
4. The south zone to the west on the rake of the porphyry intrusive mass.

Production the December quarter was $660,419 from 59,331 tons of ore milled. Output the following quarter was $622,887 from 55,724 tons of ore milled. There was some further recession of tonnage of ore milled the June quarter as the labor situation continues acute.

Operating profit the six months ended Mar. 31, 1943, was $430,000 after taxes but before write-offs. After all charges net profit was in the neighborhood of $235,000.

L.L. Lac Profit Down in 1943

Development Work Includes Opening of Four New Levels

Crosscuts on the 20th, or bottom level of the Little Long Lac ore body have reached the ore body indicating extension of the veins to at least this depth.

Lower grade ores and a reduction in tonnage milled have lowered the operating profits of the company to $48,724 or $1.9006 a ton for the first quarter of 1943, it is reported. Comparable average quarterly figures for 1942 are $150,000 (approx.), and $5.20 a ton. The grade of ore milled fell from $13.07 a ton to $10.77.

Net profit for the first quarter of 1943 will be approximately $21,000 compared with an average quarterly figure for 1942 of $74,048.

Four New Levels

During 1942 the shaft was sunk to 2,950 ft. with four new levels established at the 17th, 18th, 19th and 20th horizons. Faulting of the ore body below the 10th level has set up two ore bodies, of which the North recedes to depth and the South shows the greater extensions. Lateral development on the four levels of the South limb have been completed with average widths varying from 27 to 37 in. and ore grades from .232 to .459 oz.

On the North limb drifting remains to be done on the 19th and 20th levels. The ore body has been reached on the 20th level and drifting will be completed sometime in the third quarter, it is expected. Widths on the North level varied from 30 to 40 in. and grades from .297 to .592 oz. No stoping has yet been done on the new levels.

Additional exploration is thought to be warranted on the mine acreages extending to the North and South but such work has been restricted due to labor shortage. Regular shipments of scheelite are being made from the company's mill.

Bell Telephone Makes Plans

Creates Planning Committee to Lay Groundwork for Rehabilitation

From Our Own Correspondent

MONTREAL.—Bell Telephone Co. of Canada has set up a postwar planning committee, arguing that effective functioning of an essential industry like the telephone will constitute a stabilizing influence within the domestic economy and will contribute substantially to the national progress.

This committee is to make a broad survey of telephone problems and to recommend a plan of action to be initiated in the immediate postwar period, enabling the company to assume its postwar obligations quickly, smoothly and effectively.

The company states elements entering into postwar problems are complex and interdependent, requiring protracted study. A main committee representing all departments of the company provides an orderly method of approach. It will enable full information and joint experience to be brought to bear on subjects under review, leading to tentative plans and recommendations for executive action.

During the war, the company has been faced with an unprecedented volume of requests for services, together with acute shortages of critical materials.

Restore Facilities Margin

Restoration of adequate facility margins through a substantial program of plant rehabilitation and construction will be an immediate task, it is stated. In the initial stages of peace, this undertaking must be conditioned by the availability of necessary materials but its fulfilment is largely a prerequisite to meeting the expected substantial postwar volume of demand for service.

There is the back-log of civilian needs, the company believes, resulting from the refusal of service on conservation grounds under government direction and from inability to furnish service in areas when normal plant margins have been depleted.

New demands for service will be created by housing projects and the modernization of homes, stimulated by accumulation of buying power in the form of war savings.

Industrial conversion, population shifts, changes in urban and rural life will directly affect the volume and character of service demahds, necessitating market surveys on which to base forecasts on telephone growth.

Secondary Field

Once basic demands have been met, greater attention will be directed toward improved grades of service, refined equipment, rate adjustments, and liberality in the treatment of rural development.

More than 1,800 company employees are now absent on war service and the re-employment of this group constitutes the first objective in postwar employment plans.

Apart from specific personnel problems involved in the re-engagement of this large number of returned men and women, there are many general considerations of wage levels and working conditions requiring study.

The ultimate aim and object of planning efforts, the company says, is to furnish the best possible service at the lowest cost consistent with financial safety and fair treatment to employees.

International Utilities' $1.75 preferred stock will be exchanged on the basis of 1 9/10 new shares for one old under the terms of the reorganization plan proposed by the company to the Securities and Exchange Commission. This ratio was incorrectly stated as 1 1/10 new shares in the July 10 issue of The Post.

Pull Rich Core At Cockeram

What may represent a new ore deposit for the Red Lake area has been indicated in a drill core pulled by Cockeram Red Lake Gold Mines in the three-mile stretch of country between Madsen Red Lake Gold Mines to the southwest and Hasaga Gold Mines to the northeast, The Financial Post is informed.

Drill hole No. 9, the third in the current drill program, has given an intersection of 2.1 oz. gold or $73.50 per ton for 1.4 ft. of core starting at a depth of 322.1 ft. in the hole which was drilled at an angle of 35 degrees. True width is a foot. A check assay on the core gave 2.02 oz. gold.

Porphyry Also Found

Intersection was made in chloritic tuff with quartz lightly mineralized with pyrite, not dissimilar to material found at the neighboring Madsen. From footage 121.4 to 125 ft. in the same hole, waxy sheared porphyry was found with gold values running about $3 across a 2.5-ft. true width.

Current drilling program was based on the theory that the Madsen structure continued right through the Derlak property into Cockeram ground and on into the Hasaga. The first hole in the current program, No. 7, gave structure, low gold values, but no ore. Hole No. 8, 200 ft. to the northeast of No. 7 failed to get structure.

Over Mile From Madsen

No. 9 hole was put down 200 ft. to the southwest toward Madsen ground, giving the indication of a possible ore body as reported above. The intersection is roughly 1¼ to 1½ miles from the Madsen ground with about 2,000 ft. of this distance representing Cockeram ground.

Finances for the drill program have been provided privately by Wm. Asquith, managing director, Madsen, Joseph McDonough, president of Madsen, Robert Cockeram and Richard Strathy, it is stated. Cockeram Red Lake capitalization is two million shares with approximately 1,850,000 outstanding. It is possible capital will be increased a million shares to provide stock for further financing.

Hard Rock's Milling Down

Reports on operations of Hard Rock Gold Mines for the first quarter of 1943 show an increase in the grade of ore milled over 1942, yielding a slightly higher operating profit per ton, $3.83 against $3.76, in spite of increased operating costs. The volume of ore milled is below the 1942 average, resulting in a reduction in total operating profits for the quarter to $117,687.

Proved ore reserves are now adequate for two years milling operations at the present rate of production, it is estimated, and with continued deterioration in the labor situation consideration may be given to reducing the milling rate to proceed with mine development on a more aggressive scale.

During 1942 the main No. 2 shaft was deepened from 475 to 1,400 ft. and six new levels were established. Mine development was on a limited scale with a resultant reduction in ore reserves to an estimated 410,000 tons at the beginning of 1943.

An exploratory drift on the 1,375-ft. (lowest) level has been advanced 500 ft. and has disclosed no ore intersections of interest although the banded iron formation in which the main ore bodies occur has been encountered to widths exceeding 200 ft. This drift will be further advanced as labor becomes available and it is planned to drift east on the 775 ft. level.

The company paid a dividend of 3c. a share on June 21, 1943. Dividends in 1942 totalled 6c. a share.

Great Lakes Iron officials state that the company's property in the Steep Rock area has yielded a manganese sample testing 4.4% manganese, and another sample has given 61.79% iron, it is reported. The manganese sample is below ore grade and it is not stated what the iron Assay represented.

Canadian Breweries preference and common shares have been listed on the Montreal Stock Exchange. Up to June 19, 9,622 preference and 48,154 common shares are reported issued in exchange for shares of Canada Bud Breweries.

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FP5

The Week in Oils

From Our Own Correspondent

CALGARY—With the recently completed joint venture, British Dominion No. 5, now sure of rating as one of the biggest producers in the field, the British Dominion Oil & Development Corp. and Home Oil Co. are reported completing plans for two new north extension tests adjacent to the new producer.

It is understood that British Dominion No. 6 will be drilled in L.S.D. 6 17-21-3w5 quarter mile east of British Dominion 5 and the same distance north of the Atlas-British Dominion 3 producer. British Dominion No. 7 is to be drilled a quarter mile north of British Dominion 5. Nothing official is yet available, but it is probable that the two new ventures will be 50-50 joint operations, as was the case with B.-D. No. 5.

The Royalite Oil Co., Imperial subsidiary, has staked another location on the northerly part of the Turner Valley central west flank. The new site, for Royalite No. 74, is in L.S.D. 11 2-20-3w5th, three-quarters of a mile due south of the Royalite-Lowery No. 1 producer, and just over half a mile north and west of the Royalite No. 67 well now drilling about one month from completion. The new location will presumably be drilled with the rotary rig now at No. 67.

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Pass 60 Million Mark

Alberta's cumulative oil production rolled past 60 million bbl. during May, the May yield boosting the total to 60 million bbl., of which Turner Valley produced 59 million bbl.

The Conservation Board reports that Alberta oil and natural gasoline production in May totalled 843,431 bbl., an average of 27,207 bbl. daily—up 421 bbl. daily over April, 1943, but down 1,075 bbl. daily compared with May, 1942. Gross revenue to primary producers from oil sales in May, 1943, totalled $14 million, or $44,749 daily—representing an increase of $984 over April, 1943, due to higher deliveries, and an increase of $1,784 daily over May, 1942, when deliveries were greater in volume, but at a lower price.

As compared with January to May, 1942, the first five months of 1943 record a decline in production of 238,813 bbl., and a decline in gross revenue of $230,778. The increase of 15 cents per bbl. in Turner Valley crude oil prices effected April 1, 1943, was the prime factor in arresting the decline in gross revenue in relation to decline in production.

Oil production for the first five months of 1943 totalled 4 million bbl. with gross revenue $6.4 millions. This compares with production of 4.3 million bbl. in the same period in 1942 and a gross revenue in that period of $6 millions.

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Deep Wells Spotlighted

There was important news this week from the two record depth wells in Alberta, the Shell Jumping Pound test now drilling at two miles with heavy duty rotary (the deepest well ever drilled in Alberta), and the Marjon-Maxmont well in the Watson area, the world's deepest cable tool hole at over 9,400 ft.

Shell-Norman No. 1, the Jumping Pound test (in L.S.D. 5 22-24-5w5), is officially reported to have entered the Lower Blairmore formation, without the usual Home sand marker being detected. Drilling is proceeding below 10,526 ft., with the Dalhousie sand the next marker expected. The well had drilled unusually long sections of Colorado (Benton) and Upper Blairmore. It is hoped that the change to Lower Blairmore is a prelude to normal sections that will bring the well to its Madison lime objective in another few hundred feet.

Marjon-Maxmont No. 1, Watson Structure test in L.S.D. 10 20-9-2w5, has resumed drilling operations from 9,430 ft. following a lengthy wait for a new drilling line. The line arrived recently. It snapped while being run, plunging the bit to the bottom of this very deep cable tool hole, but the crew was able to make a successful recovery in a week's work. Now drilling is again underway. It is understood that the present bottom is in the Blairmore formation. Several oil shows have been encountered in these upper formations.

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More on D.B. No. 5 Well

Recently completed north Turner Valley extension test British Dominion No. 5 completed acidizing last week, and performed in brief flow tests in a manner that indicates the well may receive an allotment not far short of the maximum Brown Plan rate of 1,000 bbl. daily.

The well first received 2,000 gallons of acid to each of the two porous zones. The lower porous, following this acidizing, showed a flow rate of 130 bbl. hourly, the upper zone 36 bbl. hourly. Then the upper porous received a 3,000 and a 4,000-gallon treatment. Following the latter treatment, this upper zone was kicked off, started with a flush of 121 bbl. an hour, and settled to around 60 bbl. hourly. The well was then shut in for lack of tankage. Recently the upper zone was reopened, and operated at 53 bbl. hourly, with a gas-oil ratio of between 1,000 and 1,100 cu. ft. per bbl. Later when the upper zone was shut off, the lower zone was opened up, with production taken from this section at 150 bbl. hourly, with a gas-oil ratio of only 750 to 800 cu. ft. per bbl.

The high flush rates of flow, the low gas-oil ratios, indicate that the well is one of the best yet completed in Turner Valley. Tests preparatory to determination of initial allowable are expected to get under way immediately.

Annamaque Mines has made a new surface find, with channel samples running $28.35, $5.60 and $8.05 across widths from 8 to 18 inches, it is reported. The showing dips into a swamp, and seems to be striking toward a pyrite dyke believed the top of a flat-lying lens. Current drilling program has been delayed but will be recommenced in a few days, reports state.

Prussianism Must Be Destroyed

"Divide Germany," says Emil Ludwig, "or our grandchildren will surely fight a Third World War." Prussian barbarism must be isolated and thoroughly broken if civilization is to survive. Read this famous author's solution to the German problem in Maclean's July 15th.

◆ **What's Your Allergy?**

Do you suffer from Hay Fever or Asthma? Do feathers, peaches or your wife's face powder make you ill? You'll be surprised at the number of diseases traceable to everyday things. Dr. J. A. LaCroix tells about the many allergy diseases.

◆ **Australia to Frisco in a Bomber**

Noel Monks describes what it feels like to cross the Pacific from one pin-point island to another, where a slight error in navigation may set you afloat in a rubber raft.

◆ **Glamour Gals**

Maybe you didn't know it but New York's fabulous Broadway has been shouting encores for a new crop of Canadian beauties who have taken it by storm. Lois Maxon tells the intimate stories of these girls who appear headed for fame and fortune.

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Mining Concentrates

South End Petroleums Ltd. has advised the Toronto Stock Exchange that payment has been received covering the July 1 instalment, comprising an option on 50,000 shares, under the underwriting and option agreement dated Feb. 3, 1943, as amended on April 6, with W. D. Latimer & Co. The balance of the agreement comprises an option on 150,000 shares with the next instalment of 50,000 shares exercisable by Aug. 1. Issued capital is 1,582,933 shares leaving 417,067 shares in the treasury.

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Yukon Consolidated Gold Corp. has available only 30% of the available labor needed for full scale operations, G. G. Hay, president, reports. Company aims to perform essential parts of the 1943 program and still have due regard for long term requirements such as maintaining treasury reserves, retaining services of key men and keeping dredges, machinery and ditches in condition.

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Fully alive to the mining industry's vital importance to the war effort, the Nova Scotia Department of Mines is continuing its activity in investigating the occurrences of the strategic minerals of manganese, tungsten and oil. It is also conducting field investigations with diamond drilling on certain occurrences of fluorite, iron-manganese, salt and molybdenum.

THE DEPARTMENT OF MINES
HALIFAX

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One-fifth of the homes in Britain have been damaged by the blitz; hundreds of schools, churches and hospitals have been razed or partially destroyed; the job of rehabilitation is appalling in size. Even the very simplest of household furniture is sorely needed; articles like tables, chairs, cots and cupboards are required in enormous quantities.

In all of these emergencies throughout the British Commonwealth of Nations and on the fighting fronts, Masonite has played an effective part—in rehabilitating partially destroyed buildings, in building barracks, store-houses, snug temporary housings, in fitting out air-raid shelters, hospital trains and mobile units, in making sorely-needed household furniture too! In scores of ways Masonite has convincingly proved its right to the title, "The Wood of a Thousand Uses."

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